

PROFESSIONALS' PERCEPTION OF AUDIT PRACTICES IN PUBLIC SECTOR: A CASE STUDY OF OSUN AND OGUN STATES OF SOUTH-WESTERN NIGERIA

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ABSTRACT: *The study examined perception of accounting professionals regarding public sector audit practices. Specifically, it aims at identifying generally accepted audit principles and also determine the pattern of government audit practices in Osun and Ogun states of Nigeria. Despite the introduction of 1999 Constitution as amended in Nigeria and various pronouncements on audit practice in the Nigerian Public Sector by regulatory bodies, the issue of corruption, misappropriation and embezzlement in Nigeria public sector has been on the increase. This study assessed the level of state government compliance and adherence to the Generally Accepted Auditing Practice (GAAP) of Osun and Ogun states in South Western part of Nigeria and also identified the factors that influence compliance of state audit practice to standards in the selected states. Data for the study was sourced through administration of 150 pretested structured questionnaire purposively administered to professional Accountants in the states audit service of Osun and Ogun state of Nigeria. Both descriptive and inferential statistics such as tables, graph, percentages, ANOVA and regression analysis were used to assess the level of compliance and also identify factors that influence such. The study revealed that the level of practice to audit standards compliance by Osun and Ogun states public is significantly positive while political influence was identified as one of the major factors among others that influence level of audit practice with standards in the selected states. The study concluded that state audit practice complied with standards but were highly influenced by politics with far reaching implications on the quality of financial reporting of the state public sectors. Therefore, the study recommend that state government public sector should embrace and encourage best audit practice compliance that will help in reducing the level of corruption and embezzlement in Nigeria public sectors.*

KEYWORDS: Auditing Principles, Influence, Audit Practitioners, And Government Audit.

INTRODUCTION

Globally, Search for new theories are usually grounded in the perceptions of social groups Researchers perceptions on issues of public finances have always been laced with lack of accountability, political influence, poor technology, inappropriate practices, and nonconformity with professional standards. The philosophy of accounting and auditing as a discipline provides for both academic and professional training to students in order to enable them face the challenges of discoveries, fraudulent practices, clever operators and developing auditing skills relevant to modern practice both in the private and public sector. Recent events regarding management of organisational finance and fiscal resources have also shown that there is a need for qualified personnel in public sector so as to enhance the credibility, reliability and validity of its practices.

Adam Smith (1776), on Theory of Capital Circulation in his book entitled “ An Enquiry into the Nature and Causes of the Wealth of Nations” said “Private economy will tilt toward zero if there is no input from government and it can be worse if the input is not properly reported”.

He opined that “national economy is the input of private and public funds”.

Improper reporting of national wealth lead countries into bizarre of corrupt practices masquerading as financial crisis. This usually manifest as concentration of wealth in few hands, the result of which are unemployment, stalling of capital projects, poor supervision of services and inability to pay salaries and pensions. Obal (2014) opined that crisis is not restricted to any clime and that the World Bank’s report in 2009 predicted 40% of 107 developing countries are highly exposed to poverty effect of financial crisis. The gradual decline in Nigeria government responsibility to citizenry is an indication of national economy “tilting towards zero”. Government auditors are agents employed by the public to give opinion on the reported wealth of nations, thereby assuring citizens that their wealth is properly managed and reported thus ensuring that citizens are assured of the dividends of democracy. This shows transparency and accountability on the part of government agents.

Government audit practices involve practitioners, who undergo constant training with field work experiences resulting into standard audit reporting. Relying on the importance of government auditors to solve problems in the public service, the President of International Institute of Internal Auditor (IIA), Chamber (2012), opined that “The conventional wisdom is that government cannot be effective in the absence of public trust. Government auditors play a central role in fostering such trust, and have been referred to as the guardians of public trust. Without auditors, citizens would lack credible insight into the soundness of the many inner workings of government.”

Audits are in fact the zeitgeist of transparency, truth- reporting and accountability. It is of expertise practice, and the force of their logic is such that non- conforming to standards set by auditing practices lead to non accountability, (Micheal, 1994). Audit practice is represented within the circle of accountability and transparency. Nigeria public sector audit practices lies on the verge of carrying out mere auditing as opposed to operating auditing as it ought to be.

Thus the inherent trust of auditing is constantly under the siege of threatened of failure in the public sector audit. The calibre of training and education of the auditors or the understanding of auditing practices is important to the nature of successful auditing practice. Professional auditors have roles to play in critical decision within the society; YvesGendon Barbara (2007) opined that government auditors in Canada are experts in crucial components. An auditor’s opinion is the composition of its attributes. Personal attributes of background information are considered for audit practitioners, Standard auditing practices show up in personal standards, field work experiences and reporting, while Influence could be political, technological, sociological, technocratic and professional.

Concerns of researchers are to have a public sector where qualitative assessment of the achievement of objectives and responsiveness to stakeholders’ needs are met. Adeyemi (2016) opined “one driver of change in today’s business environment is raising expectation; stakeholders are demanding more transparency from companies and public trust in the integrity of business and it is the audit professional that can and must play an important role in the restoration of the lost or eroded confidence and trust.

Considering the role of professionals in nation building, the President of Institute of Chartered Accountants of Nigeria (ICAN, 2015) appealed to government at Federal, State and Local levels to increase the involvement of Professional Accountants in developing and implementing public policies and programmes to stimulate development. Public interest will be better served and confidence gained when round pegs are put in round holes, such that government audit practitioners are experts who can give correct and proper opinion on issued financial statements that are true, fair, and credible, devoid of material misstatement with minimum influence.

Generally accepted audit principles recognised personal standards, field work standards and reporting standards as composition of audit practices, yet Nigeria law has undoubtedly influenced the demand for financial audits, the knowledge base of audit and the claim to expertise of its practitioners are increasingly shaped outside the law. There is an urgent need of auditing research to pose and test theories that are well suited to the changing environment and task demands faced by auditors because since the first 25 years accounting organisation and society journals were published, there is less of response from the academic than professionals in responding to changes and development of public sector auditing (Dwiputrianti, 2011). A defence of practice is normally conducted in terms of adherence to generally accepted practice (Hopwood & Miller 1994). This study, as a contribution to professionalism in public sector, aims at identifying Generally Accepted Audit Principles, professional pronouncements on audit and determine the pattern of Public Sector Audit Practices using practice as independent variable, while standards and influence as dependent variables.

The study groups are ICAN professionals as group 1, government audit staff of Osun State as group 2 and government audit staff of Ogun State as group 3 Other recognised professional groups are well represented in the state services. The study is organised into major aspects in order to understand public sector audit practices: section 1 is the introductory section; section 2 conceptual consideration, section 3 Theoretical consideration, section 4 methodology adopted, leading to the hypotheses of the study, section 5 shows the empirical results and discussion of findings, section 6 is the conclusion and the last aspect is the recommendation and contribution to Knowledge, while section 7 shows the references.

Conceptual Consideration

Audit Professional Pronouncement

This is a public formal statement on auditing in form of practice notes and bulletin. It is an expression of opinion, a judgement and authoritative statement by professional bodies, e.g.

International Federation of Accountants (IFAC), Institute of Chartered Accountants of Nigeria (ICAN), and Association of Nigeria Accountants (ANAN). The pronouncements aimed at maintaining high standards of auditing, ensuring public confidence in the audit process and establishing a framework of prescriptive, persuasive and other guidance to support and assist auditors in the exercise of their professional judgement.

Auditing Standards

Auditing standards are basic principles and practice which members are expected to follow when carrying out an audit. There are international and national standards. They are statements of auditing standards which have been approved for issue by the regulatory body.

Audit standards help to raise an awareness of the key element of audit quality and thereby facilitate dialogue on the topic by stakeholders to improve audit quality and thereby build confidence on auditor's report.

Standards narrow down differences in Policy, protect members, and bring notice of current issues and techniques. Schandl (1978) posited that audit standards has two meanings, It can be interpreted as the total of the rules or guidelines laid down by an authoritative body to be followed in performance of an audit; or it can be described as the actual quality of performance in case of an individual audit. He was of the opinion that standards connect the theory with the practice, and that without theory we are unable to have an opinion about the standards. It is a benchmark on which behaviour can be judged.

For public auditing profession, audit standards are laid down in statutes and professional pronouncement by regulatory bodies, while internal audit standards could be laid down in instructions from management or in formal program, while an operational or government auditor may adhere to his own personal standard, depending on his experience. Comptroller General US (1972) stated that auditing standards in the public sector provides that the full scope of an audit of government program, function, activity, or organisation should encompass these three areas:

1. An examination of financial transactions, accounts, and reports, including an evaluation of compliance with applicable laws and regulation.
2. A review of efficiency and economy in the use of resources.
3. A review to determine whether desired results are effectively achieved.

General Standards- GAAP (Generally Accepted Auditing standards)

Effective for audit of financial statements with allowance made for inclusion of what operates within the territory termed influence.

(a) Personal Standards/Attribute Standards/ Ethical Standard Statements

An independent auditor should possess personal qualities of skills, education, professional competence and care in performance.

ICAN Act (1965) stipulates concepts and responsibilities that determine what standard of knowledge and skill are to be attained by persons seeking to become members of the accounting profession and raising those standards from time to time as circumstances may permit.

There is Code of ethics, which are moral principles that control or influence a person's behaviour. Ethical standards are reflected through Integrity, Objectivity, and Independence.

ICAN has oversight committees and tribunals to ensure conformity.

(b) Standard of field work

An auditor is expected to plan his work, supervise assistants and obtain sufficient understanding of the entity and its environment, including its internal control to assess risk of material statement of the financial statement whether due to error or fraud, and to design the nature, timing and extent of further audit procedure.

He should also obtain sufficient and appropriate audit evidence by performing audit procedures to afford a reasonable basis for an opinion regarding the financial statement under audit.

(c) Reporting standards

The reporting standard depends on the agency and its requirement, but whatever the format used, the report must clearly contain the following facts as regards the work; that the financial statements follow acceptable accounting principle or not, the management's responsibility, the auditor's responsibility, the auditor's opinion, Signature, date and Auditor's address.

Influence

Influence means the effect that a person or thing has on someone's decision, opinions, or behaviour or on the way something happens. Alimi (2014) identified Information technology, Organisation and environment as influencing internal auditor. The study identified influence on auditor's opinion coming from professional body, political party, sociological and technocrats. Sociological Influence come from citizenry; technological as influence of improved method through electronics and technocrats as influence from operation within the office e.g. office instructions.

Government Audit Practices

Practice is a method, procedure, process or rule used in a particular field or profession; a set of these regarded as standards. Government audit include compliance audit and financial statement audit. These are performed under government auditing standards on entities such as federal, states, local governments, not for profit organisations, institution of higher education and certain for profit organisations. The Nigerian public sector is divided into three levels of governance- Federal, State and Local. Need for financial accountability, transparency and integrity on the huge amount contributed by citizenry brought the employment of financial agents into government services.

The public financial agents are Accountants and Auditors. The public sector auditors' role supports the governance responsibilities of oversight, insight and foresight (IIA, 2012). Federal Office of the Auditor- General provides goals in making improvements in auditing policies, procedures and practices in all audit organisations concerned with the audit of government activities as external auditors. A staff of Accountants General can either be an accountant or an internal auditor, depending on the position. Internal auditing involves the operational checking of financial transactions of Ministry, Departments or Agencies of government, while external auditing involves checking of financial statements.

Internal and External audit are the combination of processes and structures implemented by the board to inform, direct, manage and monitor the organisation's activities toward the achievement of its objective (IIA, 2012)

Internal Auditing

Institute of Internal Auditors IIA (2012), defines internal auditing as an independent objective, assurance and consulting activity designed to add value and improve an organisation's operations. The Institute of Chartered Accountants of Nigeria (ICAN) has no specific definition of external or internal auditing. Auditing in ICAN Members' handbook was defined as "an independent examination and expression of opinion on the financial statement of an enterprise

by an appointed auditor in pursuance of that appointment and in compliance with any relevant law and regulation.”

External Auditing

Adebisi (1999) defined Auditing in the public sector as an intelligent and critical examination of books of accounts of an organisation with the help of vouchers, documents, information and explanation received by an independent person with the main purpose of expressing an opinion on the truth and fairness of the financial statement so examined. YvesGendedon (2007) opined government external auditors are experts in crucial components of government activities.

Figure 2.1 is a schematic representation of Audit practices in Nigeria public sector.

Figure 2.1 Public sector audit Practices



Fig 2.1 Source (researcher's view)

There are few empirical studies on public audit practices. Some researchers who commented on public sector audit practices outside Nigeria are (Zulkifili, Alagan and Molid 2014; Reed, 2010; YvesGendon, 2007& Daud, 2007) while those in Nigeria included; Oyeibisi and Stephen, 2017; Obal, 2015; Akharayi, 2015; Aidi, 2014; Ilaboya, 2014; Bariyima, 2012& Salawu and Oyedokun, 2007). They all agreed on the need to comply with professional standards and imbibe culture of accountability if quality practices are to be achieved in public sector. However, Muazu and Siti (2013) disagreed with researchers on political influence strongly affecting audit practices; they opined there is no strong association between internal audit practices and financial performance at local government level.

Schandl (1978) opined that areas of human knowledge are increasing every day. There is a knowledge gap in Nigeria Public sector audit practices. Reviewed literatures on public sector outside Nigeria do not reflect its social value, norms, economic, technocrats, financial,

technology, and political environments. Majority of researchers used secondary data to analyse their result, while some did not do any data analysis.

THEORETICAL CONSIDERATION

Theory explains the action. This study is anchor on the theory of capital circulation and agency theory.

Theory of capital circulation

This study is anchored on the theory of capital circulation by Smith (1776). In his book entitled “An Enquiry into the nature and causes of the Wealth of Nations” said Private economy will tilt towards zero if there is no input from government and it can be worse if the input is not properly reported”. He opined “national economy is the input of private and public funds. Proper reporting of national wealth depends on the background of the reporter and environmental influence. Opinion on report of national wealth is usually given by providers of financial information. Auditors and Accountants are major players in provision of government financial data to determine the wealth of any nation. Nigeria citizenry relies on the opinions and expertise of the professionals on government matters, however, a man’s opinion is influenced by his makeup, his background, standards available, technocrats, technology, experience on the job and sociology.

Agency Theory

Agency Theory holds that agents do not, necessarily take decisions in the best interest of their principal. As a result of information asymmetries and self interest, principals’ lack reasons to trust their agents and will seek to resolve these concerns by putting in place mechanisms to align the interest of their agents with the principals (IIA 2012).

The citizens may not have the technical knowledge to oversee the activities and operations of the public, therefore, they rely on the auditors to provide an independent objective evaluation opinion on agent accounting and report on whether the agent uses the resources in accordance with the principal’s wishes. Putting in place mechanism to align the interest of the principal with the agent will involve putting the right peg in the right hole.

METHODOLOGY

The qualitative and explorative study employed survey research design with population comprising audit practitioners in Nigeria. To reduce cost and have access to information, a sample size of 150 were purposefully selected at 50 per groups from the study areas of Osun and Ogun States of Western Nigeria and ICAN members in practice to represent both private and public audit practitioners.

Questionnaires as instrument of study comprising 30 items were used to carry out an in-depth interview on concepts of auditing. They were used to measure the variables associated with the study. Practice was used as dependent variable, while Standards and Influence were the independent variables. Instruments used for Practice include: Initiative, Training, Record

keeping, Leadership style and Motivation. Standards include: Relevant education, Audit planning, supervision, Access to information, IPSAS adoption, Audit threat and Ethics, while Influence include: Political, Technocrats, Sociology, Professionals and Executive.

The scale used for the measurement was Ordinal, with indicants ranging from strongly agree (5) to strongly disagree (1). The scoring procedure indicated high scores with high level of audit standard, practice or influence. The questionnaire also addressed issues related to practice comprising of age, gender, marital status, educational background, level and length of service. The validation of the study rested on multiple sources of data observations, documentation, and personal interview to ensure right concept of auditing in the public sector. The use of ICAN audit professionals as external group for this study provides the reliability of the data. Also an expert was involved in the construction of the questionnaire.

Data Set

Linear Regression model used as proxy are:

Audit practice = f (standards+ influence), Standards = (personal standards + field work standards+ Reporting standards) and Influence = (Political +Technology+ Sociology +Technocrats+ Professional).

Research Hypotheses

Ho1: State audit practices do not significantly conform to audit standards.

Ho2: Standards and influence cannot jointly significantly affect public sector audit practices.

Ho3: There is no significant correlation of variables of practice, standards and influence in all the groups.

Model Specification

$Y_i = a + \beta_1 X_1 + \beta_2 X_2 + \mu_i$. Where Y_i = Audit practice, X_1 = Audit Standard and X_2 = influence. a = intercept coefficients of variables, β_1, β_2 = coefficients of independent variables and μ_i = stochastic error term

The model was used to test the hypotheses; the error term in the model depicted that the relationship between the dependent and independent variables are not perfect, that a precise exact value of independent variables may not totally predict dependent variable since exact relationship between variables seldom occur in social sciences.

EMPIRICAL RESULT AND DISCUSSION OF FINDINGS

Descriptive statistics

Table 4.1 presents the background information of the group respondents on frequencies and percentages. As observed under gender, male respondents in group 1 were (92%), group 2

(70%) and group3 (68%). Female respondents in group 1 (8%), group 2 (30%) and group 3(32%). This means that women in audit practices are few.

In respect of age classification, between 31-40 years, group 1 (4%), group 2 (32%) and group 3 (48%). 41 years and above: group 1 (96%), group 2 (68%) and group 3 (52%). The implication of this is that older people are many in audit profession, and in few years time experienced hands may have reduced drastically, thus affecting Nigeria public sector audit practices. For marital status classification, singles in group 1 were (2%), group 2 (8%) and group 3 (6%), while married in group 1 were (98%), group 2 (92%), and group 3 (94%). This means that majority of audit practitioners were married and financial temptation may be high considering family responsibility and this may have a negative influence on public audit practices.

SSCE as Highest educational level revealed that group 1 had (2%) group 2 had (2%) and group 3 (6%), HND/BSc in group 1 were (70%), group 2 (90%) and group 3 (72%), MSc. Group

1(26%), group 2 (8%) and group 3 (20%), PhD group 1 (2%), none in group 2, and group 3 (2%) This is a confirmation of other researchers' call for urgent need of Academics in auditing profession.

On Professional Qualification: ANAN, none in group 1, group 2 had (68%) and group 3 (22%). ICAN: group 1 had (100%), group 2 (16%) and group 3 (48%). This means audit practitioners with ANAN certificate were more than those with ICAN certificate. Other certificates, group 2 (16%), and group 3 (30%). For the Position in office classification, senior levels in group 1 were (20%), group 2 (80%), and group 3 (58%). Management levels in group 1 were (80%) group 2 (20%) and group 3 (42%). Length of service 1-10 years revealed group 1 as (14%), group 2 (22%), and group 3 (32%), 11- 20 years: group 1 (60%), group 2 (34%) and group 3 (40%). 21- 35 years in group 1 (26%), group 2 (44%) and group 3 (28%). Training, 1-3 times, group 1 (24%), group 2 (44%) and group 3 (26%). 4-7 times, group 1 (16%), group 2 (28%) and group 3 (46%). Local training, group 1 (88%), group 2 (100%) and group 3 (94%). Overseas training: group 1 (12%) none in group 2 and group 3 (6%). This means that audit practitioners are majorly exposed to local training. Government sponsorship: group 1 (20%), group 2 (84%), and group 3 (70%). Self sponsorship: group 1 (20%), group 2 (10%) and group 3 (24%). Private Organisation: group 1 (60%), group 2 (6%) and group 3 (6%). There was a low level of private sponsorship and outside training in all the groups.

Involvement of professional bodies, ICAN: group 1 (46%), group 2, (6%), and group 3 (18%).

ANAN: none in groups 1 & 3, and group 2 (8%). Both ICAN and ANAN, group 1 (54%), group 2 (86%) and group 3 (82%). This shows that most respondents agreed that both professional bodies are recognised.

Table 4.2 presented percentages of audit practice as 71.29 in group 1, 74.52 in group 2 and 73.61 in group 3.

Table 4.3 presented a matrix Pearson correlation test result of respondents of 50 in each of the groups and correlations of predictors with practice as significant at the 0.01 level (2 tailed).

Correlation of practice with practice as in all the groups, practice with standards as in group 1 ($r = .666$, $p = .000$), group 2 ($r = .673$, $p = .000$), and group 3 ($r = .523$, $p = .000$), practice with influence as in group 1 ($r = .611$, $p = .000$), group 2 ($r = .524$, $p = .000$) and group 3 ($r = .229$, $p = .110$).

Table 4.4 is a model summary of multiple regression analysis for the combined contribution of standard and influence to audit practice in each of the group.

The result of graph plotted shows a normal distribution curve with an unbiased estimation of mean practices zero.

FINDINGS

Test of Hypotheses

Decision rule for test of Hypotheses:

Reject Null Hypotheses if percentages of practice compliance with standards are greater than 50% and significance levels less than 0.05 for inferential statistics, accept if otherwise.

Table 4.2 shows a descriptive data analysis reflecting group audit practices compliance with standards as group 1 (71%), group 2 (75%) and group 3 (74%), all > 50%, however, descriptive analysis percentage is not good for business prediction, hence, Table 4.3 of Pearson correlation shows strength of relationship of state audit practices with standards being positive and significant at 0.01 level (2 tailed) in all the groups. Group 1 ($r = 0.666$, $p = .000 < 0.01$), interpreted as ($67\% > 50\%$, $p < 0.05$), Group 2 ($r = 0.673$, $p = .000 < 0.01$) as ($67\% > 50\%$, $p <$

0.05) and Group 3 ($r = 0.523$, $p = .000 < 0.01$) as ($52\% > 50\%$, $p < 0.05$). Accordingly, Table 4.4 shows that standardised coefficient in groups indicated that the relationship between standards as one of the independent variables and practice as the dependent variable are positive and significant in all the groups. Group 1 (Beta = .469, $t = 3.747$, $p = 0.000$), Group 2 (Beta = .551, $t = 4.431$, $p = 0.000$), and Group 3 (Beta = .505, $t = 3.812$, $p = 0.000$). The ANOVA table to determine the joint impact of the variables of standards and influence on public sector audit practices showed that standards and influence has a significant joint impact on public sector audit practices.

Group 1 ($f = 25.166 > 0.05$, 2, n-3, $p = .000$),

Group 2 ($f = 22.453 > 0.05$, 2, n-3, $p = .000$) and

Group 3 ($f = 8.969 > 0.05$, 2, n-3, $p = .001$).

Graph plotted show the pattern of public sector audit practices; there are positive and significant relationship between the dependent and independent variables. The result of graph shows a normal distribution curve with practice zero mean, which is a good approximation of reality. There is a positive non-linear correlation (association) meaning dependent and independent variables are not perfectly related as common in social sciences. Normal distribution closely approximates many business phenomena; it can be used in decision analysis. The objective of the study to determine pattern of practice was achieved.

Contribution to academic debate

This empirical study complimented researches in public sector audit by Salawu and Oyedokun (2007) and to other researchers findings both within and outside Nigeria. Nigeria being a developing country with the adoption of International Public Sector Accounting Standards

(IPSASs) need to ensure strict adherence and compliance with set of auditing rules, standard and regulations in conformity with Generally Accepted Auditing

Practice (GAAP) with a view to assist management in their decision making process. The study also contributed to the call made by the Nigerian Government Federal Audit office for collaborative effort in the plea to follow audit standards practice strictly in the most professional and transparent manner thereby gaining public confidence in the public audit practice of Nigerian government.

CONCLUSION

On the strength of the above findings, it is concluded that standards and influence are major determinants of practice, accounting professionals has a similar perception of public sector audit practices.

Recommendations

Based on the findings, the study recommends the following:

Professionals and Academia should be employed and involved in public sector audit practices in Nigeria to significantly implement public policies and programmes that can stimulate development. Furthermore, as observed, balancing of personal, fieldwork, and reporting standards will enhance the quality of public sector audit practice.

Lastly, further study on pragmatic and effective means of public sector audit in academic community will help to resolve the problem of theory and practice of auditing as a programme of study in higher institution as preparatory to professional practices.

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APPENDICES**Table 4.1 Background Information of Participants**

Classifications		Frequencies			Percentages		
		Group1	Group2	Group3	Group1	Group2	Group3
Gender	Male	46	35	34	92	70	68
	Female	4	15	16	8	30	32
Age	31-40	2	16	24	4	32	48
	41 and above	48	34	26	96	68	52
Marital status	Single	1	4	3	2	8	6
	Married	49	46	47	98	92	94
Highest Education	SSCE	1	1	3	2	2	6
	BSc/HND	35	45	36	70	90	72
	MSc	13	4	10	26	8	20
	PHD	1	-	1	2	-	2
Professional Qualification	ANAN	-	34	11	-	68	22
	ICAN	50	8	24	100	16	48
	Others	-	8	15	-	16	30
Position in office							

	Senior	10	40	29	20	80	58
	Management	40	10	21	80	20	42
Length of service	1-10	7	11	16	14	22	32
	11-20	30	17	20	60	34	40
	21- 35	13	22	14	26	44	28
Number of training attended	1-3	12	22	13	24	44	26
	4-7	8	14	14	16	28	28
	8 and above	30	14	23	60	28	46
Place of Training	Local	44	50	47	88	100	94
	Overseas	6	-	3	12	-	6
Sponsorship	Government	10	42	35	20	84	70
	Self	10	5	12	20	10	24
	Private Organisation.	30	3	3	60	6	6
Recognised professional body	ICAN	23	3	9	46	6	18
	ANAN	-	4	-	-	8	-
	Both	27	43	41	54	86	82

Source: Field Survey data 2016 Table 4.2 presented percentages of audit practice as 71.29 in group 1, 74.52 in group 2 and 73.61 in group 3.

“Table 4.2 - Mean and Percentages of Audit Practices”

	No of respondents	Mean	Percentage
Group 1	50	3.5647	71.29
Group 2	50	3.7259	74.52
Group 3	50	3.6803	73.61

Source: Field survey data 2016

Table 4.3 presented a matrix Pearson correlation test result of respondents of 50 in each of the groups and correlations of predictors with practice as significant at the 0.01 level (2 tailed).

Correlation of practice with practice as 1 in all the groups, practice with standards as in group 1 ($r = .666$, $p = .000$), group 2 ($r = .673$, $p = .000$), and group 3 ($r = .523$, $p = .000$), practice with influence as in group 1 ($r = .611$, $p = .000$), group 2 ($r = .524$, $p = .000$) and group 3 ($r = .229$, $p = .110$).

“Table 4.3 – Correlations within Groups”

Dependent Variable = Practice, Predictors = (constant) Standard, Influence.

Group 1			
	Practice	Standard	Influence
Practice Pearson correlation			
Sig (2 tailed)	1	.666	.611
N	50	.000 50	.000 .50
Group 2			
	Practice	Standard	Influence
Practice Pearson correlation			
Sig (2 tailed)	1	.673	.524
N	50	.000	.000
Group 3			
	Practice	Standard	Influence
Practice Pearson correlation			
Sig (2 tailed)	1	.523	.229
N	50	.000	.110 50

Group 1 Correlation is significant at the 0.01 level (2 tailed)

Group 2 Correlation is significant at the 0.01 level (2 tailed)

Group 3 Correlation is significant at the 0.01 level (2 tailed)

Source: Field survey data 2016

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“Table 4.4- Model summary of multiple regression analysis for the combined contribution of standard and influence to audit practice in each of the group”

Group 1					
Model	Unstandardised Coefficients		Standardised coefficients	T	Sig
	B	Std. Error	Beta		
Constant	-.389	.570			-.683 .498
Standards	.646	.172	.469	3.747	.000
Influence	.399	.149	.335	2.671	.010
Group 2					
Model	Unstandardised Coefficients		Standardised coefficients	T	Sig
	B	Std. Error	Beta		
Constant	.025	.533		.047	.963
Influence	.224	.124	.225	1.809	.077
Standard	.667	.151	.551	4.431	.000
Group3					
Model	Unstandardised Coefficients		Standardised coefficients	T	Sig
	B	Std. Error	Beta		
Constant	1.322	.615		2.149	.037
Standard	.511	.134	.505	3.812	.000
Influence	.063	.156	.053	.404	.688

Dependent variable: Group 1, Practice.

Dependent variable: Group 2, Practice.

Dependent variable: Group 3, Practice.

Source: Field survey data 2016

The result of graph plotted shows a normal distribution curve with an unbiased estimation of mean practices zero.

Graph showing: Pattern of States audit practices:

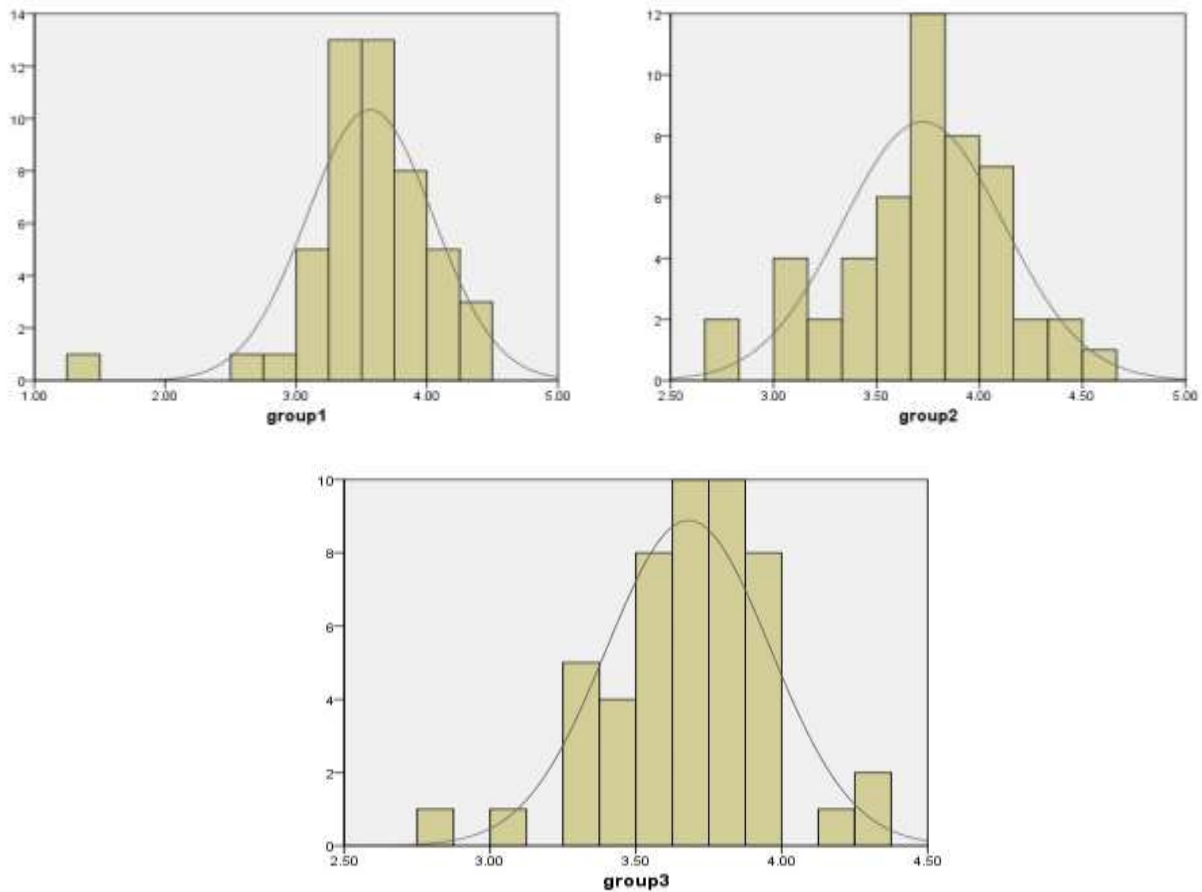


Figure 4.1 Graphs of Audit Practices

Ordinal Regression Result

Model fitting Information:	Chi-square	df	sig.
Group 1	142.252	34	.000
Group 2	276.488	40	.000
Group 3	106.003	34	.000