

IMPACT OF INTERNAL AUDIT ON FINANCIAL PERFORMANCE OF TEXTILE SECTOR

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Abstract

Purpose: The aim of this study is to find out whether the internal audit function have an impact on financial performance of textile industry. Internal audit helped organization for enhancing the financial performance but similarly there are many other factors too. .

Methodology: In this Explanatory research a sample size of 250 audit team members of Different textile companies has been selected. Primary data was collected by means of questionnaire .The collected data has been integrated using SPSS and it has been analyzed through descriptive statistics (graphs) and inferential statistics (regression).

Findings: The research concluded that there are many factors directly or indirectly influence the financial performance and function of internal but if internal audit function of textile company work effectively and up to the standard so it may help organization to grow. Secondly companies have to focus on financial and non-financial data both accordingly in order to make sure the concept of accountably in company. Effective and successful internal audit will helped organizations to successful external or saturator audits also.

Research significance: This research is of significant worth for the Security and Exchange Commission of Pakistan (SECP), ICAP & management (board of directors) so that proper strategies may be formulated to enhancing the financial performance of textile sector in Pakistan. Furthermore Audit firms also can use this research fruitfully in order to conduct audits more effectively and efficiently.

Table of Content

Contents

Chapter 1 Introduction:.....	<u>1</u>
1.1 Background of study:.....	<u>1</u>
1.2 Statutory and Non Statutory audit	<u>1</u>
1.3 Textile sector background.....	<u>2</u>
1.4 Research problem:	<u>2</u>
1.5 Research objective:.....	<u>3</u>
1.6 Question:	<u>3</u>
1.7 Significance of Study:.....	<u>3</u>
1.8 Limitations:	<u>4</u>
1.9 Organization of study.....	<u>4</u>
CHAPTER 2 LITERATURE REVIEW	<u>5</u>
Chapter 3 METHODOLOGY	<u>12</u>
3.1 Nature of research.....	<u>12</u>
3.2 Type of research	<u>12</u>
3.3 Sample	<u>12</u>
3.4 Sample size.....	<u>12</u>
3.5 Sampling technique	<u>13</u>
3.6 Data collection method	<u>13</u>
3.7 Type of rating scale	<u>13</u>
3.8 Data integration method.....	<u>13</u>
3.9 Hypothesis.....	<u>14</u>
Hypothesis 1.....	<u>14</u>
Hypothesis 2.....	<u>14</u>
Hypothesis 3.....	<u>14</u>
Conceptual Framework	<u>15</u>
Questions.	<u>15</u>
Chapter 4 DATA INTEGRATION AND ANALYSIS.....	<u>16</u>
Regression Analysis	<u>16</u>
ANOVA.....	<u>16</u>
Coefficients.....	<u>17</u>
Regression Equation.....	<u>17</u>

Hypothesis Testing.....	<u>18</u>
Hypothesis 1.....	<u>18</u>
Hypothesis 2.....	<u>18</u>
Hypothesis 3.....	<u>19</u>
DESCRIPTIVE ANALYSIS:.....	<u>19</u>
Gender	<u>19</u>
Education.....	<u>20</u>
Experience	<u>20</u>
Questions Responses:.....	<u>20</u>
Chapter 5 CRITICAL DEBATE.....	<u>27</u>
Chapter 6 Conclusion and Recommendations.....	<u>28</u>
Conclusion	<u>28</u>
Recommendations	<u>29</u>
Appendix.....	<u>30</u>
Table # 1.....	<u>30</u>
Table # 2.....	<u>31</u>
Table # 3.....	<u>32</u>
REFERENCES.....	<u>33</u>