External auditing and accountability in the Tanzanian local government authorities[1]

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Abstract
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Purpose – The purpose of this paper is to explore the contribution of external auditing to accountability in the Tanzanian local government authorities (LGAs).

Design/methodology/approach – This paper uses content analysis of the external audit reports of the LGAs for the past ten years. Corroborative evidence was gathered through interviews with external auditors, councillors, Parliamentary Committee members and selected internal auditors of the LGAs.

Findings – The study finds that external auditing had marginally contributed to the enhancement of accountability within the LGAs. This is mainly attributed to the limited scope and failure of the responsible officials to address audit recommendations. In the light of agency theory, the findings suggest that external auditing has not sufficiently enabled the stakeholders to hold LGAs' officials accountable.

Practical implications – The findings indicate that external auditing can enhance accountability when the scope is widened to provide relevant information and also when audit recommendations are implemented by responsible officials.

Originality/value – Most studies of external auditing and accountability have focused on the developed countries; this is one of the few papers which explores the phenomenon in the context of emerging economies.

Keywords Tanzania, Accountability, Agency theory, Audit, Local governments

Paper type Research paper

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