

REVIEW

**for the acquisition of the educational and scientific degree "Doctor"
by an announced procedure in the professional field 3.8. Economics, doctoral
program "Accounting, control and analysis of business activity (control)" at
the "D. A. Tsenov" Academy of Economics – Svishtov**

Reviewer: Prof. Nadya Encheva Kostova, PhD, Department of Accounting,
University of Economics – Varna

Author of the dissertation: Todor Georgiev Gogov

Topic of the dissertation: "Internal Audit as Means of Fraud Prevention and
Detection in Organisations" (as of the Example of Public Enterprises in Republic of
Bulgaria)

I. General presentation of the dissertation

The subject of the above-mentioned dissertation is the application of the responsibilities of internal auditors in public enterprises in Bulgaria for fraud prevention and detection.

The dissertation has a total volume of 241 pages, of which 191 pages are the main text, 6 pages contain the list of cited sources and 24 pages are the appendices. The text is well structured in an introduction, three chapters, a conclusion and 2 appendices. The list of cited sources is not numbered, but contains a total of 91 sources, of which 61 are foreign (part of them translated into Bulgarian) and 30 are Bulgarian sources. The literary sources have been used and cited in good faith and correctly.

II. Assessment of the form and content of the dissertation

The topic of the dissertation is relevant and significant and is of interest to the theory and practice of internal audit and risk management in the public sector in Bulgaria. The relevance of the topic is determined by the destructive impact of fraud in organizations, which poses a serious threat not only to them, but also to all stakeholders related to their activities, as well as by the role of internal audit in preventing and detecting misappropriations within organizations.

The subject and object of the dissertation are clearly formulated, its research thesis, the goal and objectives of the study are appropriately defined.

The object of the study is the practice of internal audit in public enterprises in Bulgaria related to the fraud prevention and detection.

The main thesis of the dissertation is that there are specific limitations for the fulfillment of the internal auditors' responsibilities within Bulgarian public enterprises related to fraud prevention and detection, which could be a reason for reducing the effectiveness of internal audit and, accordingly, finding opportunities to overcome them would help the management of the organizations to give an appropriate response to misappropriation attempts.

A rich arsenal of *research methods* has been applied: scientific-theoretical and empirical. It can be said that the methods applied are relevant to the object, subject, goal and tasks of the study.

Doctoral student Todor Gogov demonstrates in-depth knowledge of fraud nature, its manifestation in organizations and procedures for assessing the fraud risk carried out by internal audit in the public sector. The dissertation successfully examined the role of management and internal audit in combating fraud. In order to study the relevant set of problems, the author conducted an authorial empirical study among internal auditors in Bulgarian public enterprises.

In general, it can be said that the applied research approach is relevant to the topic of the dissertation. It is thoroughly and precisely developed, whereas the material is presented clearly enough, including the necessary motivation and argumentation.

The dissertation covers an issue argued to be largely researched in the scientific and professional literature. Although the doctoral student refers to the achievements of other scientists in the field, his very work reveals personal attitude to the issues raised, recognizable in the conclusions and inferences made, based on the analysis and evaluation of the survey results, and indicates the need for more empirical research in Bulgaria determined by the public sector importance for the economy and the negative consequences of fraud. The dissertation volume dissertation can be defined as sufficient, given the specificity and comprehensiveness of the topic of choice. In terms of structure and composition, the dissertation has a unified appearance, with elements balanced in 'weight' and possesses relative independence and completeness, appropriately distributed in the three chapters.

The easy comprehension was achieved by using 35 tables, 8 diagrams and 5 schemes illustrating the numerous findings, summaries, insights and conclusions made by the author.

The dissertation is composed in a clear and comprehensive language, whereas good knowledge of the regulatory framework was demonstrated, and based on the authorial survey conducted, conclusions have been formulated and proposals have been made for improving the practice of internal audit, related to the fraud prevention and detection in the Bulgarian public enterprises, which can be of real practical application. I believe that the dissertation demonstrates an appropriate scientific style. No repetitions and logical contradictions were identified.

The dissertation presents observations and conclusions made as an outcome of appropriate processing of the information available, including via analysis of the results from the author's survey. Indicators obtained via appropriate statistical processing of the available information, analysis and assessment of relations that could be defined necessary and adequate, considering the nature of the source data and the goals and objectives set, are derived and appropriately presented. In addition, I believe that the computational procedures applied are correctly executed, given the methodology characteristics of their application.

In my opinion, there are no proofs and circumstances for plagiarism, for violated scientific ethics related to the citations, as well as for using the same text in different works and for other manifestations incompatible with scientific creativity. That is also declared by the doctoral student with a submitted declaration of originality and reliability.

The abstract reflects the content of the dissertation systematically, accurately and clearly, emphasizing the most important moments. The abstract also contains a reference to the scientific contributions, as well as a list of the doctoral student's publications.

III. Scientific and applied scientific contributions of the dissertation work

In the summary prepared by doctoral student Todor Gogov on the scientific contributions of the dissertation, a total of five contributions are listed, divided into two directions: contributions of a scientific and applied nature and contributions of a practical and applied nature. The contributions correspond to the content of the dissertation and the research results achieved. In my opinion, formulated in this way, they can be considered achievements in the author's scientific survey. I believe that

some of them might be applicable in the experts' practice in the field of fraud risk management and internal audit, especially in regard with the application of the main responsibilities of internal auditors for preventing and detecting fraud in the public sector, and the specific measures proposed.

The doctoral candidate presented to the jury three separate scientific articles on the topic of the dissertation, published in scientific journals. Based on the content of the publications, it can be concluded that the doctoral candidate's scientific work is focused on the study of internal audit problems and fraud risk.

IV. Critical notes, questions and recommendations on the dissertation work

As critical notes and recommendations, I would like to mention:

1. In my opinion, the first chapter of the dissertation is overemphasizing the various definitions of the "fraud" concept as found in the specialized literature and in the documents issued by international institutions, making the theoretical part too descriptive.

2. The sources used and cited are mainly standards, reports and other institutional publications. I believe, the doctoral student should have referred to more monographs, studies, scientific articles and reports by various authors, which would have created an opportunity for a higher level of discussion and dispute on the dissertation topic.

3. In the introduction, the research limitations are stated. I believe that among them, the current date of the latest amendments to the regulatory acts and accounting standards used in the dissertation should have been disclosed.

I would like to clearly state that the notes made above do not diminish the achievements of the doctoral student.

In regard with the dissertation, I have the following questions for Todor Gogov:

1. Since it is indisputable that the opinion of the individuals and institutions investigating fraud is that they are very diverse and their detection requires very good preparedness and experience, does the doctoral student believe that the internal auditors and the management of the organizations in Bulgarian public enterprises have sufficient competence to achieve high efficiency in combating fraud?

2. The importance of internal audit for the prevention and detection of fraud in organizations (including in the activities of public enterprises in Bulgaria) is out

of question. How does the doctoral student see the role of artificial intelligence in the processes of fraud risk management?

V. Summary conclusion and position

The reviewed dissertation carries the characteristics of a completed independent scientific study. The goal and tasks set have been fulfilled and the author's thesis formulated in the introduction has been confirmed. The content demonstrates the capabilities of the dissertation candidate, using the achievements in theory and practice and based on his authorial survey, to analyze, evaluate, ascertain, draw conclusions and suggestions and propose specific guidelines for improving the implementation of internal auditors' responsibilities in preventing and detecting fraud, and improving the quality of audit activities in public enterprises.

From all the materials and documents featured in the defense procedure, it can be concluded that Todor Gogov possesses high theoretical knowledge, skills and competencies.

As a result of the assessments made of the scientific merits of the dissertation *"Internal Audit as Means of Fraud Prevention and Detection in Organizations (as of the Example of Public Enterprises in the Republic of Bulgaria)"*, it can be argued that it contains results representing scientific and applied achievements.

In conclusion and as a result of the above assessments, I express my unconditional opinion recommending the Scientific Jury to award the educational and scientific degree "Doctor" to Todor Georgiev Gogov in the Field of Higher Education 3. Social, Economic and Legal Sciences; Professional Direction 3.8. Economics; scientific specialty "Accounting, Control and Analysis of Business Activity".

Date: 21.05.2025

Reviewer:
(Prof. Nadya Kostova, PhD)