ANALYTICAL PROCEDURES FOR THE EXTERNAL ENTREPRENEURSHIP AUDITOR AND THEIR ROLE IN REDUCING AUDIT RISKS (AN APPLIED STUDY IN A SAMPLE OF IRAQI BANKS)

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ABSTRACT

The auditing process requires those who perform it to search for the best means to accomplish and perform it to produce the best results, in light of the presence of many obstacles, including the expansion of economic units and the complexity of their accounts, and the difficulty of comprehensively auditing them to discover all the points of defect in them, and this research came to find solutions to the problem of using observers Calculations are for simple methods that are unable to discover many errors, defects and weaknesses, and in light of this increasing complexity and the aforementioned challenges, audit risks have emerged, and this research came to solve the problem of the auditor's use of random samples that incur many errors, so this research sought to identify the analytical procedures In the audit process, which provides the auditor with an integrated approach to complete the audit process in all its stages, as well as sought to find out the risks that the auditor is likely to face in the audit process and how to reduce these risks to the lowest acceptable level by using analytical procedures. The account auditors were selected in a sample of Iraqi banks. As for the method of data collection, the questionnaire was used as the main tool by distributing it to the account auditors, and at the conclusion of the search D, a set of conclusions were presented, the most important of which is that auditors use methods of analytical procedures in the audit process, which helped reduce audit risks, and the research recommends the necessity for auditors to rely on analytical procedures and statistical samples that enable them to reduce risks to the lowest acceptable level.

INTRODUCTION

The science of auditing has evolved over time as a result of being affected by the changes that occurred in various professional and scientific fields, and as a result of the large size of economic units, the chances of errors and manipulations that occur in the accounts increased and became difficult to detect easily with the increase and complexity of the accounts of these units and the diversity of their activities, and the difficulty of conducting an audit Comprehensive of all activities and accounts of these units, which led to the auditors relying on the test audit based on selecting a random sample from the community subject to auditing and examining it comprehensively using inventory, matching and other routine procedures, and the weakness of the accounting and control systems in these units became the main reason behind the occurrence of such These errors, all of this led to the emergence of audit risks resulting from errors in the data that the auditor does not discover, so the responsibility of the auditor towards his profession

increased and he had to search for procedures that enable him to carry out the audit process with the least possible amount of errors and help him reach accurate results about fairness and credibility The financial statements of the economic unit and judging its performance, as well as assisting him in assessing the risks of auditing and reducing the risks of failure Detecting errors, therefore, the analytical procedures, which are based on analyzing the different relationships between the data through a set of procedures, are among the best methods of auditing accounts because these procedures have modern scientific methods that enable the auditor to reduce errors, reduce audit risks to the lowest acceptable level, and improve the efficiency of the audit process.

RESEARCH METHODOLOGY

The Research Problem

The auditor faces many errors in his work, some of which he discovers and is unable to discover others due to the inadequacy of the procedures that he relies on in his work when auditing economic units, as well as as a result of insufficient procedures that the auditor is accustomed to and which results in the emergence of audit risks.

Research Aims

The research aims to find out the extent to which external auditors use analytical methods and procedures in the stages of the audit process, which represent its move in the audit process beyond the test audit, and the research aims to try to reduce the audit risks to the lowest acceptable level, by planning in advance of the activities that are likely to be exposed to more than Others to risk and screen them using analytical procedures.

The Importance of Research

The importance of research is highlighted by identifying the different types of analytical procedures in general and to those actually used in the Office of Financial Supervision, in addition to knowing the risks that auditors face during the audit process and how to reduce them using analytical procedures, as well as improving the results that are reached and judging the performance of economic units Subject to audit.

Research Hypotheses

The research is based on two basic hypotheses, which are as follows:

1. The external auditor follows the analytical procedures when auditing the bank accounts of the research sample.
2. The external auditor's adherence to analytical procedures can help reduce audit risks.

Research Sample

The research sample is represented by a group of external auditors in charge of auditing private banks listed on the Iraq Stock Exchange, and the search for fiscal year 2019 data was

applied in order to evaluate the external auditor's analytical procedures in a manner that helps reduce audit risks.

THE THEORETICAL FRAMEWORK OF THE RESEARCH

The Concept and Importance of Analytical Procedures in Auditing

Analytical procedures are considered one of the important methods in examining and testing financial data and evaluating the performance of economic units, as they are an important source through which auditors can obtain indicators that enable them to demonstrate the efficiency of these economic units through the use of accurate and sophisticated scientific methods. It is also the best means of gathering evidence for a process. Auditing, and this process is carried out by relying on the relationships between financial and non-financial data, analyzing the important ratios and trends in these data, as well as using other methods such as regression analysis and time series analysis (Al-Rabati, 2002).

The analytical procedures were defined by the Financial Supervision Rules issued by the International Organization of Supreme Audit Institutions (INTOSAI) as analyzing the important ratios and trends, including the ongoing examination of fluctuations and relationships that are not consistent with other related information (Jane et al., 2014) or that deviate from the expected amounts (INTOSAI, 1998).

There are those who view the analytical procedures as the essential examination that the external auditor performs in the audit process, especially when performing the audit program, as the auditor focuses on the items that are expected to have fundamental errors (Svelte & Asabi, 2015). Additional evidence, especially when the internal control system is not reliable (Hillis & Jarbou, 2002).

The analytical procedures were defined as a set of tests that are applied to the financial statements through a comparative study between these data, and to determine the extent to which the auditor relies on basic tests, through tests of details of operations or balances or through analytical procedures or through a combination of them (Hamada, 2009) and thus it is a group of activities that are performed by the auditor to collect evidence during the stages of the audit process, and it includes comparing values by ratios, analyzing trends and account balances, so they are based on the quantities recorded in the accounting records, and the aim of these comparisons is to distinguish and investigate The reasons for the unusual or unexpected relationships between actual and expected values (Deng et al., 2012) and the analytical procedures provide us with evidence for these relationships to identify potential risk areas. Likewise, the analytical procedures are of great importance in the field of reducing audit risks. Its effective application achieves many advantages in several respects, the most important of which are the following: (Al-Rubai'i, 2002).

1. Identify the areas in which there is a high risk of committing errors and violations and help allocate audit resources more effectively. Thus, longer audit time can be devoted to areas of high risk and less time for those with less risk.
2. Draw the auditor's attention to the extraordinary matters that may require further evidence, such as additional documentary support through the collection of evidence.
3. It is one of the tools by which the auditor - if he applies them effectively - can control the audit risk, on the basis that the responsibility for reducing the risks of discovery rests with the auditor, and this depends on the effectiveness of the analytical procedures because the test audit using samples is likely to remain errors and manipulations. It is possible that there are some restrictions or processes that were not included in the

sample subject to examination despite their relative importance and their impact on the results of the activity and the financial position, so the auditor resort to analytical procedures to direct attention to the possibility of additional errors and irregularities.

It should be noted the importance of using analytical procedures in monitoring the performance of economic units, by comparing the results obtained from these procedures for many years when the initial planning of the audit process and developing an audit program based on the methods of analytical procedures such as ratios, comparisons and other analyzes, with the actual performance of these units in The end of the audit process, to discover errors in the balances and accounts of these units and judge the performance of these units (Baldur et al., 2012).

Types of Analytical Procedures in Auditing

Analytical procedures are one of the most important methods of gathering evidence and evidence necessary to complete the audit process, and through the various types of analytical procedures, the auditor is able to collect these evidence and evidence in order to justify his opinion included in the report. He indicated that the analytical procedures include the following (International Federation of Accountants, 1998):

1. A comparative study of economic unit information with, for example:
    a) Comparative information for previous periods.
    b) B. Expected results, such as budget estimates, forecasts, or auditor expectations, such as an extinction estimate.
    c) C. Similar information for a sectoral entity or with other projects in the same sector of similar sizes.
2. Study the relationships between:
    a) Elements of financial information, which are expected to coincide with the forecast model based on the experience of the economic unit, such as the gross profit margin percentages.
    b) B. Relevant financial and non-financial information, such as salary amounts and number of employees.
3. It is possible to use several methods to accomplish the above procedures, and these methods extend from simple comparisons to complex analyzes, which use advanced statistical techniques. Analytical procedures may also be applied in consolidated financial statements or in participant data (such as sub-companies, divisions or parts) or in The individual elements in the financial information, and the auditor's choice of procedures, methods and level of application depends on his professional judgment.

It has been stated in Rule (24) of the European Guidelines on Analytical Procedures, that these procedures appear in the form of three main categories: trend analysis, ratio analysis, and predictive analysis, and trend analysis is the analysis of changes that occur in a specific account balance, or in the design of a statement Mali during past arithmetic periods, and it includes the following types: (INTOSAI, 1998).

1. Graphic methods.
2. Comparisons between period and period.

3. Moving averages.
4. Statistical time series analysis.

Either analysis of ratios is a method that includes a comparison of related relationships between numbers of financial statements, and this analysis is particularly useful whenever it is possible to calculate ratios for a sufficient number of years, in order to allow the trends to be recognized and validated (Khorana et al., 2009).

As for predictive analysis, it is an analytical procedure that uses mathematical operations and a series of these operations, which develops a forecast sum based on a certain understanding of reasonable relationships, and through the use of relevant financial or operational data (Deng et al., 2014).

The Concept and Types of Audit Risks

The audit risk is seen as the failure of the internal control system to achieve its intended purpose of discovering errors and deviations in the financial statements, as well as the failure of basic auditing tests to detect deviations or errors (Al-Sharaa, 2003). The audit risk was also defined as the failure of auditors. There are those who see that it is the risk of the auditor not expressing an amended opinion on financial statements that have a material misstatement, or in other words, the risk resulting from the auditor's failure unintentionally to modify his opinion on financial statements that contain material misstatement (Ali & Shehata, 2004).

The auditor must obtain a general understanding of the accounting system and the internal control system, in order to plan effectively, and design appropriate audit procedures to reduce audit risks to an acceptable level (Al-Tamimi, 2006). As a result of this understanding, the auditor may become aware of the weaknesses in these systems, Therefore, the auditor must inform the management about the fundamental weaknesses and the appropriate procedures for them, whether in designing or in the operations of the accounting system and internal control, with emphasis that these points are those that came to his attention, provided that this communication about the weaknesses is written (Baldur et al., 2012) and the auditor must use his professional judgment to assess the audit risks and design procedures to ensure that they are reduced (risks) to the lowest acceptable level (Jumah, 2005).

Opinions have varied about the components of auditing risks, but it is noted that most professional bodies, researchers and writers agree on dividing these components in the agreement that reaches the level of consensus, by dividing it into three basic components which are implicit risks, control risks, and risks of discovery, which can be explained through the following: (Marcello & Knaggy, 2014).

1. **Implicit risk:** The implicit risk is a measure of the auditor’s assessment of the possibility of a material misstatement in light of the materiality in a group of a sample of accounts, before the effectiveness of internal control is taken into account. This risk is represented in the financial statements' susceptibility to material misstatement assuming the absence of internal control. If the auditor concludes that there is a possibility of misstatements, while ignoring internal control, he will arrive at an opinion that the underlying risk will be significant (Arrens & Lubbock, 2005).
2. **Control Risks:** The development of audit objectives and method has led to the transformation of the audit process from a complete detailed audit to a test audit that depends on the selection of samples. The auditing process on a test basis requires relying

on a logical and scientific method to withdraw a sample from the operations, test and examine it in a comprehensive examination, and if it is satisfied The auditor indicates the integrity of the data contained in the sample, as he is satisfied with this sample and generalizes the results he reached from examining it to all operations (Al-Rabei, 2002).

3. **Discovery risk:** Discovery risk is seen as a measure of the effectiveness of the auditing procedures actually applied by the auditor, and it differs from the implicit risks and control risks through the ability of the auditor to control this type of risk by determining the nature, timing and scope of the substantive tests that he performs for the audit process (Boynton & Kell, 1996).

Reducing Audit Risks By Using Analytical Procedures

The auditor's use of analytical procedures in all their forms in reducing the three types of audit risks during all stages of the audit process represents in itself a goal that the auditor seeks to achieve in his work and represents a measure of the auditor's success or failure in carrying out the audit process, but the auditor must first know what methods are used in Reducing audit risks and the factors that led to these risks so that he can then try to control these causes and reduce risks (Marcello & Knaggy, 2014).

There are many factors that contribute to reducing audit risks in one way or another, but the use of analytical procedures has a distinct and different role, since they are accurate and sophisticated scientific methods that provide the auditor with more credible and rational results, and their use achieves accurate results that enhance the success of the audit process. By obtaining scientifically supported evidence based on sound conclusions, and in order for the auditor to be able to use analytical procedures to reduce risks (Deng et al., 2012), he must first identify the factors that led to the occurrence of these risks or that were A reason for it, in addition to that his identification of these factors will constitute an additional analysis of the elements and items of operations in the economic units subject to auditing, which contributes to carrying out the analytical procedures significantly, and these factors are as follows (Abd Al-Ridha, 2001):

1. Poor design of internal control or poor past performance of that oversight.
2. Managers whose integrity is questioned.
3. Large operations that have a high potential for losses.
4. High percentages of assets that are highly liquid.
5. Increasing pressure on managers to meet desired goals.
6. Lack of audit coverage by independent auditors.

The previous factors are used in determining the extent of audit risks in economic units and the percentage of these risks, by knowing the amount of errors that occur and the weaknesses that exist in the economic units subject to auditing. Analytical procedures represent a good method for examining data through financial analysis in its various forms, which enables the identification of important trends in the work of the unit subject to auditing, or through statistical methods that can be used to solve complex issues and various relationships, and that the auditor's use of previous methods of analytical procedures will lead to discovery Errors in the accounts and reducing the risks of not being detected, and it provides the auditor with a sound and correct approach to follow in the audit process, and targeting the auditor to reduce risks using analytical procedures begins with preparing for the audit process when developing a plan and program, to be the basis for the auditor to follow in all stages of the audit process, It thus provides an integrated approach that enhances the credibility of the auditor's findings, and to outline how the

audit risks are reduced by using analytical procedures, the auditor should do the following: (Ratzinger & Sakes, 2012).

1. Determine the factors that lead to the occurrence of risks in the units.
2. Determine the percentage and types of existing risks.
3. Linking control risks and implicit risks with the effectiveness of the control system in detecting wrong fraud and making recommendations to increase the effectiveness of this system and reduce detailed procedures.
4. Linking the risks of discovery to the auditor and the procedures that he performs, and using the methods of analytical procedures in examining the data to reveal errors and manipulations through methods, comparisons and analysis of different trends, and then discover these errors through the auditor adopting analytical procedures.

THE APPLIED ASPECT OF THE RESEARCH

Research Society and Sample and the Statistical Methods Used

The research community consists of external auditors in charge of auditing private banks listed on the Iraq Stock Exchange. Either the research sample, a sample of those individuals was chosen as 94 questionnaires were distributed, all of which were retrieved and were suitable for statistical analysis, and the questionnaire form was designed in a manner consistent with the objectives The research and its hypotheses, and the questions were formulated in the questionnaire so that the answer is converted into quantitative values on the five-degree Likert scale, which takes the range from 1 to 5, and a group of statistical methods was used in order to prove or deny the research hypothesis, as the arithmetic mean was used in relation to The maximum value of the Likert scale of five degrees, percentages, and standard deviation, in addition to using the T-test to show that the relationships between the study variables are real and not due to chance, through inference about the arithmetic mean of the statistical community and its statistical significance.

The Results of Distributing the Questionnaire and Analyzing the Demographic Characteristics of the Research Sample

The questionnaires distributed to the research sample amounted to 94 questionnaires, and they were collected. That is, the percentage of the questionnaires recovered was 100%. The demographic characteristics of the individuals of the research sample can be analyzed through the following Table 1.

Table 1
ANALYZING THE DEMOGRAPHIC CHARACTERISTICS OF THE RESEARCH SAMPLE

Percentage	The number	Category	Variable	sr#
22.30%	21	30-40 years old	Age	**1**
61.70%	58	41-50 years old		
16.00%	15	More than 50 years old		
79.80%	75	Male	Sex	**2**
20.20%	19	female		
76.60%	72	Bachelor of	Qualification	**3**
12.70%	12	M.A.		
10.70%	10	PhD		

13.80%	13	5-10 years	Years of Experience	**4**
23.40%	22	11-15 years		
62.80%	59	Over 15 years old		

Source: Prepared by the researcher

It is evident from Table (1) that 22.3% of the research sample are between 30-40 years old, 61.7% of them are between 40-50 years old, either of the rest are more than 50 years old, and the percentage of males of the research sample is 79.8 As for the percentage of females, it reached 20.2%. The percentage of those holding a bachelor's degree among the research sample was 76.6%, those with a master's degree was 12.7% and those with a doctorate degree 10.7%, which means that they are qualified to understand the topic. Regarding the years of experience of the research sample, the largest percentage was for the group of more than 15 years, at 62.8%.

Test Hypotheses

The first hypothesis test

The first hypothesis states the following: (The external auditor follows the analytical procedures when he audits the bank accounts of the research sample), and for the purpose of testing this hypothesis, the extent of following the analytical procedures must be tested during the planning stage of the audit process, the stage of implementing the audit process, and the stage of completing the audit process. The extent to which the analytical procedures are followed during the planning stage of the audit process can be tested through the following table 2:

Table 2
TEST THE EXTENT TO WHICH ANALYTICAL PROCEDURES ARE FOLLOWED DURING THE PLANNING PHASE OF THE AUDIT PROCESS

T value	standard deviation	percentage	Arithmetic mean	The paragraphs
8.648	**0.633**	**%88.22**	**4.422**	1. Collecting information for previous years about the bank to understand its activities and the environment in which it operates.
5.734	**0.556**	**%69.60**	**3.408**	2- Establishing pre-defined procedures for work mechanisms and methods for conducting auditing work.
5.089	**0.502**	**%64.86**	**3.243**	3. It strives to diagnose the elements that could be a source of audit risk
6.347	**0.589**	**%70.28**	**3.514**	4- The bank's information shall be used to estimate its viability before starting the audit.
7.513	**0.684**	**%92.24**	**4.612**	5- Prepare an appropriate plan to implement the audit process and distribute the available time and available staff.
6.224	**0.433**	**%70.04**	**3.502**	6. Carry out a preliminary analysis of the data by collecting information from inside and outside the bank.
6.593	0.566	75.87%	3.784	The overall average

Source: Prepared by the researcher

It is noticed from the above table that the general arithmetic mean of the variables of this paragraph reached (3.784) with a percentage (75.87%) and a standard deviation (0.566), and the calculated value of T reached (6.593), which is greater than the tabular, which indicates that the external auditor followed the analytical procedures During the planning stage. The extent to

which the analytical procedures are followed during the implementation phase of the audit process can be tested through the following Table 3.

Table 3
TEST THE EXTENT TO WHICH ANALYTICAL PROCEDURES ARE FOLLOWED DURING THE IMPLEMENTATION PHASE OF THE AUDIT PROCESS

T value	standard deviation	percentage	Arithmetic mean	The paragraphs
6.553	**0.398**	**%76.52**	**3.826**	1. Evaluating the accounting system and the internal control system of the bank in order to know its weaknesses and strengths.
8.227	**0.645**	**%92.50**	**4.625**	2. Obtaining evidence for the audit process is the main purpose of this stage.
4.338	**0.255**	**%57.68**	**2.884**	3. Determine the audit sample by using statistical methods.
7.895	**0.607**	**%86.24**	**4.312**	4. You repeatedly measure items and items subject to audit to obtain better information about them.
6.326	**0.552**	**%64.30**	**3.215**	5. Evaluating the important differences to obtain evidences supporting the audit process through the clarifications.
7.417	**0.611**	**%84.52**	**4.226**	6. Evaluating the results obtained from the implementation of the audit process to measure the success of the procedures.
6.793	0.511	76.96%	3.848	The overall average

Source: Prepared by the researcher

It is noticed from the above table that the general arithmetic mean of the variables of this paragraph reached (3.848) with a percentage (76.96%) and a standard deviation (0.511), and the calculated value of T reached (6.793), which is greater than its tabular value, which indicates that the external auditor followed For analytical procedures in banks the research sample during the implementation phase of the audit process. The extent to which the analytical procedures are followed during the completion phase of the audit process can be tested with regard to the arithmetic mean, percentage, standard deviation, and T-value, as shown in the following Table 4.

Table 4
TEST THE EXTENT TO WHICH ANALYTICAL PROCEDURES ARE FOLLOWED DURING THE COMPLETION STAGE OF THE AUDIT PROCESS

T value	standard deviation	percentage	Arithmetic mean	The paragraphs
5.415	**0.541**	**%76.34**	**3.817**	1. Identification of unusual items or relationships that were not previously specified.
7.23	**0.628**	**%84.56**	**4.228**	2.Focusing on critical auditing areas and important trends and ratios in auditing**.**
5.212	**0.439**	**%77.28**	**3.864**	3. Ensure the reasonableness of the financial statements.
8.277	**0.598**	**%90.26**	**4.513**	4. Determine the bank's ability to continue based on the information previously obtained.
9.218	**0.633**	**%88.84**	**4.442**	5. Diagnose the strength or weakness of the internal control system.
7.344	**0.564**	**%77.72**	**3.886**	6. Summarizing the results of the audit process for the purpose of judging the performance of the economic unit

				under review.
7.116	0.567	82.50%	4.125	The overall average

Source: Prepared by the researcher

It is noticed from the previous table that the general arithmetic mean of the variables of this paragraph reached (4.125) with a percentage (82.50%) and a standard deviation (0.567), and the calculated value of T reached (7.116), which is greater than its tabular value, which indicates that the external auditor followed For analytical procedures during the completion phase of the audit process. The results of the first hypothesis test can be illustrated through the following table 5:

Table 5
THE RESULTS OF THE FIRST HYPOTHESIS TEST

T value	standard deviation	percentage	Arithmetic mean	Follow the analytical procedures during:
6.593	0.566	75.87%	3.784	The audit planning stage
6.793	0.511	76.96%	3.848	The audit implementation phase
7.116	0.567	82.50%	4.125	The stage of completing the audit process
6.834	0.548	78.44%	3.919	The overall average

Source: Prepared by the researcher

It is noted from the above table that the general arithmetic mean of the variables of this paragraph reached (3.919) with a percentage (78.44%) and a standard deviation (0.548), and the calculated value of T reached (6.834), which is greater than its tabular value, which indicates acceptance of the first hypothesis.

The Second Hypothesis Test

The second hypothesis states the following: (The external auditor's following analytical procedures can help reduce audit risks). The extent to which detection risks are reduced can be tested through the analytical procedures through the following table 6:

Table 6
TEST THE EXTENT TO WHICH DETECTION RISKS ARE REDUCED THROUGH ANALYTICAL PROCEDURES

T value	standard deviation	percentage	Arithmetic mean	The paragraphs
5.673	**0.63**	**%84.26**	**4.213**	1. Using financial analysis methods in auditing financial statements.
4.322	**0.328**	**%42.28**	**2.114**	2. Using ready-made software and statistical methods in the auditing process.
8.429	**0.602**	**%80.08**	**4.004**	3. Use qualitative data analysis.
7.996	**0.614**	**%86.78**	**4.339**	4. Comparing the results of the current year with the previous years.
6.545	**0.501**	**%71.12**	**3.556**	5. Using modern technologies to help discover risks and submit a report as soon as possible.
8.218	**0.566**	**%92.10**	**4.605**	6. Using different comparisons of information and analyzing relationships between data.
6.864	0.54	76.10%	3.805	The overall average

Source: Prepared by the researcher

It is noted from the above table that the general arithmetic mean of the variables of this paragraph is (3.805) with a percentage (76.10%) and a standard deviation (0.540), and the

calculated value of T is (6.864), which is greater than the tabular, which indicates that the analytical procedures will help reduce risks Discovery. The extent to which control risks and the implicit risks are reduced can be tested through analytical procedures through the following table 7:

Table 7
EXAMINE THE EXTENT TO WHICH CONTROL RISKS AND THE UNDERLYING RISKS ARE REDUCED THROUGH ANALYTICAL PROCEDURES

T value	standard deviation	percentage	Arithmetic mean	The paragraphs
6.667	**0.522**	**%66.68**	**3.334**	1. The use of a scientifically and practically qualified auditor.
6.412	**0.568**	**%74.36**	**3.718**	2- The assistance of persons not related to the audit work, such as experts and specialists in other fields.
8.878	**0.677**	**%90.36**	**4.518**	3- Maintaining an internal control system that is continuously evaluated.
7.239	**0.623**	**%84.46**	**4.223**	4- The use of competent and sufficient evidence.
6.443	**0.339**	**%64.40**	**3.22**	5. Using statistical samples in examining the items and elements subject to scrutiny.
5.312	**0.574**	**%77.44**	**3.872**	6- Using professional judgment in selecting the samples subject to auditing.
6.825	0.551	76.28%	3.814	The overall average

Source: Prepared by the researcher

It is noticed from the above table that the general arithmetic mean of the variables of this paragraph reached (3.814) with a percentage (76.28%) and a standard deviation (0.551), and the calculated value of T reached (6.825), which is greater than its tabular value, which indicates that the analytical procedures Can help reduce control risks and implicit risks, and the results of the second hypothesis test can be illustrated through the following table 8:

Table 8
RESULTS OF THE SECOND HYPOTHESIS TEST

T value	Standard deviation	Percentage	Arithmetic mean	How helpful are the analytical procedures in:
6.864	0.54	76.10%	3.805	Reduced detection risk
6.825	0.551	76.28%	3.814	Reducing control risks and implicit risks
6.845	0.546	76.19%	3.81	The overall average

Source: Prepared by the researcher

It is noted from the above table that the general arithmetic mean of the variables of this paragraph reached (3.810) with a percentage (76.19%) and a standard deviation (0.546), and the calculated value of T reached (6.845), which is greater than its tabular value, which indicates acceptance of the second hypothesis .

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

During this research, a set of conclusions were reached, and they are as follows:

1. Analytical procedures represent an important means of gathering evidence in the audit process, which the auditor can rely on and use as a method and approach that increases the quality of the audit process and the performance of the auditor.
2. Analytical procedures include many types that are based on analyzing relationships and studying different variables in the operations and activities of the unit subject to auditing, such as simple comparisons, financial and qualitative analysis, and artificial intelligence systems.
3. The auditor uses analytical procedures during all stages of the audit process, but using them in the planning stage is the most important because it will determine the course of the entire audit process.
4. There are many factors that affect the results of the analytical procedures and affect their success, and the auditor must take them into consideration to ensure the success of the audit process, such as the relative importance and evidence of evidence.
5. Auditors use the methods of analytical procedures when auditing economic units and the research sample, which helped reduce audit risks.

Recommendations

Depending on the research findings, the following recommendations can be made:

1. It is necessary for the account auditors to adopt the types of analytical procedures as an approved approach and method when carrying out the audit process, which contributes to enhancing the effectiveness of the audit process and enhances its results.
   2. Carrying out the process of constantly evaluating and studying the internal control system in the economic unit, identifying defects in it, and trying to consolidate it to increase its effectiveness and to avoid mistakes resulting from the weakness of this system, as the more effective the internal control system, the less control risks.
2. Adopting statistical samples when carrying out the verification process instead of random samples that may cause a lot of errors resulting from the failure of this sample to represent the community from which it was taken.
3. Selection of competent, scientifically and practically qualified persons to perform the task of controlling accounts and to be of those with technical and academic skill.
4. Continuously conducting qualifying courses for individuals in charge of auditing accounts, informing them of everything new in the audit approach, and then determining their methods based on the information they obtain.

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