

# **FACTORS AFFECTING THE QUALITY OF ENTREPRENEURSHIP AUDITING AND THEIR IMPACT ON THE CONTINUITY OF THE ECONOMIC UNIT (AN EXPLORATORY STUDY OF THE OPINIONS OF A SAMPLE OF AUDITORS IN THE BUREAU OF FINANCIAL SUPERVISION)**

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## **ABSTRACT**

*The purpose of the study is to determine the quality of the work, and to determine the extent to which it can be used. A set of assumptions is drawn from the relationship between each of the personal factors for the researcher and the organization of the audit and the independence of the audit and the plan for the audit and between the accuracy of the accuracy and the constant support in the continuous agreement. The object of the discussion is grouped with a review of the working accounts in the Diwan of the Iraqi Fiscal Competition on the statements of the fiscal year 2020. Establishment of targets and assumptions has been decided, as the use of aggregates and assumptions has been assessed, and the results from the aggregate are more likely to be substantial.*

## **INTRODUCTION**

After the multiple series of different financial crises that occurred to many companies in the world, and the accompanying financial collapses that occurred in a number of East Asia and Latin America countries, the effects of which are still visible today, and the resulting bankruptcy of many international companies and banks in America in particular, which amounted to more than 130 banks and the steady increase in the bankruptcy of many companies in all countries of the world, and chartered accountants bear a large part of the responsibility by accusing them of not being able to perform their professional duties and in a manner consistent with accounting principles and standards and adherence to the ethics and behavior of the profession. Among the negative effects, the most important of which is the loss of confidence in the accounting information, and consequently this information has lost its most important element, which is its quality, since the main objective of reviewing the financial statements is to enable the auditor to express his neutral technical opinion on the sincerity of the expression of the financial statements for the result of business and the financial position in accordance with recognized accounting principles Approved and generally accepted.

## RESEARCH METHODOLOGY

### The Research Problem

The problem of research is represented in the financial community's dissatisfaction with the performance of the auditors' work. It stems from what this community expects from the auditors to provide them with financial statements that honestly and fairly express the financial position and free from fundamental errors, so that the auditor issues an unreserved opinion on the financial statements, while it becomes clear after This is the existence of fundamental errors affecting the accounts and the inability of the economic unit to continue its work.

### The Significance of Research

The importance of the research stems from the importance of its basic variables represented in the quality of auditing and the continuity of the economic unit. The more the required quality audit, the more it helps to ensure the continuity of the economic unit in an environment characterized by rapid and successive changes and developments.

### Research Objectives

This research seeks to achieve a set of objectives, which are as follows:

1. Identify the concept of the quality of auditing work, highlighting its importance and objectives, the policies and procedures that make up it, and identifying the characteristics or factors that affect the quality of auditing.
2. Analyzing and determining the relative importance of each of these factors, and studying its importance, and the degree of its impact on the quality of the audit.
3. Contribute to identifying how to improve the quality of auditing, and narrowing the gap of expectations in the audit process, in order to bring it to the required level

### Research Hypotheses

In light of the research problem and its objectives, the following hypotheses were formulated:

**The first hypothesis:** There is no statistically significant relationship between scientific qualification, practical experience, and the auditor's familiarity with generally accepted auditing standards, and the quality of his performance in the audit process.

**The second hypothesis:** There is no statistically significant relationship between the organization of the audit office, its reputation, its reputation, its relationships with its clients, and the quality of its performance in the audit process.

**The third hypothesis:** There is no statistically significant relationship between the independence of the auditor, and the determination of his fees, and the quality of his performance in the audit process.

**The fourth hypothesis:** There is no statistically significant relationship between each of the procedures for planning and implementing the audit process, and the quality of its performance in the audit process.

## Research Sample

The research sample is represented by a group of account auditors working in the Iraqi Federal Board of Financial Supervision for the financial year 2020 data, and a questionnaire has been designed that is consistent with the objectives and hypotheses of the research in order to determine the factors affecting the quality of the audit with an indication of their impact on the continuity of the economic unit, where 100 were distributed A questionnaire form that has been retrieved and is subject to statistical analysis.

## THEORETICAL FRAMEWORK

### The Concept of Account Audit Quality

Despite the importance of the concept of audit quality, there was no clear, comprehensive and agreed definition by researchers and scholars, due to looking at it from multiple and different points of view (Barth & Nelson, 2014). De Angelo is considered one of the first researchers. Those who worked on developing a definition of the quality of auditing and defined it as: the probability of the requirement that the chartered accountant discover errors and loopholes in the client's accounting system, and that they record this in the report he issues (Jean & Sitology, 2008).

Finally, from another angle, various concepts and terminology appeared in this field, and at the academic and professional levels, and they have a relationship with the quality of the process of external control of accounts in the economic unit, which may be used to describe the evaluation process or verify the quality of the audit process, and these terms include the following: (Ratzinger & Sakes, 2012)

**Quality Control:** It refers to the administrative organization of the office, and all the policies and procedures followed in order to verify, to a reasonable degree, the commitment of the office's employees to the professional standards, and the relevant regulations that govern their professional performance when providing professional services to the office's clients, including the rules, conduct and ethics of the profession, and the commitment The office shall comply with the regulations governing the practice of the profession.

**Quality Assurance:** This concept refers to the procedures for internal examination and supervision of quality, which the office itself carries out through professional control over the office's staff. Whereas, the Hong Kong Association of Accountants believes that the external examination of quality by a neutral third party is called (quality control).

**In-depth examination:** This standard was issued by the American Institute of Certified Public Accountants (AICPA) in 1989 as a standard for examining the work of auditing firms. This program was modified in 2001 to include three types of examination, in order to verify the quality of audits, which are as follows: (Svelte & Asabi, 2015)

**System Audit:** It aims to ensure that the system of quality control over the accounting and auditing processes in the audit office has been designed in accordance with the quality control standards issued by the American Institute of Certified Public Accountants, and that these policies and procedures for quality control have been applied as planned.

**Engagement Audit:** It is intended to provide a basis for the person in charge of the examination process to ensure that the auditor, when - related to the client - observes the professional standards issued in this regard, and that the documentation in the audit office takes into account the requirements mentioned in the list of accounting and consulting services standards.

**Audit Report:** It aims to assist the auditor - who makes contact with the client - to provide his advisory services with the highest level of service.

### The Importance of the Quality of Auditing

The importance of audit and audit quality lies in the fact that external users of the financial statements expect from the outputs of the audit process, represented in the auditor's report, the complete quality because they depend on making their decisions and drawing their policies on those lists, and therefore the quality of the audit is a common interest for all parties benefiting from the audit process (Tayler & Glezen, 1994) These parties can be stated as follows: (Berserk & Vaile, 2010); (Verdi, 2006).

1. **Auditor:** The auditor is concerned that the audit process is carried out with the highest possible quality in order to improve his reputation, fame and competitive position in his field of work.
2. **Company management:** The company's management is responsible for preparing the financial statements. Consequently, the implementation of the audit process with the highest possible quality enables it to know its strengths and weaknesses, and helps it in developing future plans. On the other hand, the auditor's report has market reactions that may affect the company's share price.
3. **Banks:** Banks and financing institutions rely heavily on audited financial statements, especially in granting loans and banking facilities. There is no doubt that the quality of the audit process will positively influence the quality of their decisions.
4. **Creditors:** Creditors are interested in the audited financial statements by an external legal auditor to grant customers credit facilities based on those statements. There is no doubt that the quality of the audit will greatly influence their credit decisions.
5. **Governmental bodies and agencies:** Government agencies rely on audited financial statements for many purposes, including planning and control, imposing taxes, and deciding subsidies for some industries. Government agencies seek to carry out auditing and auditing work according to a high level of quality in order to protect economic activity, and all related parties and relationship to the audit process.
6. **Associations and bodies regulating the profession:** Many societies organizing the profession of auditing seek to oblige audit and audit offices to achieve a high level of quality in order to develop the profession and strengthen confidence in it, and place it in its appropriate place among other professions.

In addition to the above, following a system to achieve the quality of audit work brings many advantages and characteristics to the audit office itself, which can be explained as follows: (Fervor, 2015)

1. Giving reasonable assurances that the services and work performed by the audit office are in line with the professional requirements and generally accepted auditing standards, while reducing the chances of making errors in the audit process.
2. Improving the work program of auditors, by following the guidelines and standards issued by professional societies regarding oversight of the quality of the audit process.
3. The adoption of quality methods in auditing is considered one of the convincing means in acquiring new clients for the audit office and maintaining them, especially in light of the intense competition between audit firms.
4. The high level of credibility in the audit means that the financial statements are free from material errors, and this will only be through high levels of audit quality.

5. A high-quality audit can be considered an important part of the organization owners' control system, especially if they are unable to directly control the management's actions in managing the facility.

### **Guidelines and Standards Issued By the Professional Bodies to Control the Quality of the Audit Process: 1**

Many professional organizations and associations around the world have been concerned with the issue of quality control of performance in audit firms and offices (Jane et al., 2014) and work to improve the level of professional performance in a way that serves the public interest. Some of these professional societies have imposed on their members a set of professional standards, rules and ethics for the profession, in order for the audit and accounting work to be carried out in accordance with the highest quality standards. (Henrique et al., 2012)

International Standard No. (220) was issued on audit quality control in 1994, and it is one of the international auditing standards (quality control of work in auditing) and aims to provide guidance on quality control for the audit process. Paragraph 6 of the standard stated that the objectives, policies of quality control As follows: (Marcello & Knaggy, 2014), (Aldus et al., 2018).

**Professional requirements:** they mean the commitment of employees of the audit office to the principles of independence, honesty, objectivity, and maintaining confidentiality and ethics.

**Skills and competence:** Audit firms must appoint persons with the necessary scientific and practical qualification to perform audit work with due professional care.

**Distributing the tasks of the audit process:** It is intended to entrust the audit process to a work team capable of its work, and possesses levels of professional training and the necessary professional competence.

**Supervision:** means the supervision and follow-up of work at all levels, in order to provide adequate assurance that the work being performed meets the appropriate quality standards.

**Consultation:** It is intended to conduct consultations with others with appropriate experience inside or outside the establishment when required, and to have periodic meetings with the work team.

Accepting or terminating work with clients: The audit office must establish procedures for evaluating the client before accepting the assignment, and continuously following up on relations with existing clients.

### **The Relationship between the Quality of Auditing and the Continuity of the Economic Unit:**

The account auditors bear a great responsibility in this aspect, and his breach of his professional and ethical duties or failure to fulfill them in the manner that the financial community expects leads to several types of responsibility. Then he is subjected to civil accountability and the damage may occur or fall to the society as a whole, thus being subjected to criminal accountability (Deng et al., 2014). For the generally accepted accounting principles and to fulfill this responsibility, he must exert adequate and reasonable professional care that is

represented in adhering to the requirements of the rules governing the practice of the profession (Ali, 2012).

The concept of adequate professional care is related to what the auditor should do and how to perform this work. Every individual who does a specific job must perform it with the same degree of ordinary skill generally available to others in the same field, and the auditor, for example, must exert adequate professional care in verifying that Evidence for proof is sufficient and appropriate to support his opinion in this report, on the one hand, and on the other hand, the auditor, like any person, is subject to error, but he is accountable to the customer when insufficient professional care is taken (Thomas Whenke, 1989).

Auditing Standard (59) for the year 1988 ((Auditor's considerations regarding the viability of the economic unit)) was issued by the American Institute of Certified Public Accountants, and it is considered one of the criteria aimed at reducing the gap of audit expectations. This standard was issued with the aim of improving the recommendations of external auditors to meet the needs of Shareholders regarding providing them with early warning signals as to whether there is any suspicion about an imminent failure of the company subject to auditing. This standard has expanded the scope of the auditor's responsibility with regard to imposing continuity by taking into account ensuring continuity is imposed in all stages of the audit process (Tang et al., 2008), and in spite of that, this standard did not add little to the criterion (34) as it set the same practices in another written style, but it is clear in the standard that it gave an affirmative and effective role to the auditor by providing warning of failure. The impending ability of the company is to continue in all stages of the audit process (Al-Emara, 2014).

### **An Introduction to the Research Sample:**

The research community consists of account auditors working in the Office of Financial Supervision. Either the research sample, a sample of those observers was chosen, as 100 questionnaires were distributed, and one of them was fully retrieved form for analysis, and the researcher relied on personal interviews with individuals, the research sample. The questionnaire form is consistent with the research objectives and hypotheses, and the questionnaire included an introductory introduction that showed the nature of the research and general (demographic) questions related to the research sample in addition to the questions for testing the research hypotheses, and the questions were formulated in the questionnaire form so that the answer is converted into quantitative values on the Likert scale The five-point range takes the range from 1 to 5.

The researcher used a set of statistical methods, including the arithmetic mean attributed to the maximum value of the five-degree Likert scale. If the arithmetic mean exceeds three degrees of the scale area, the study is acceptable, that is, if it attains a percentage higher than 60%, as well as the use of percentages and standard deviation.

The distributed questionnaires are 100 questionnaires, and they have all been retrieved and are subject to statistical analysis, as the percentage of these forms reached 100%, noting that there were no non-refundable forms that were not subject to statistical analysis.

After retrieving the questionnaires from the sample members, it was noticed that 30% of the research sample are between 30-40 years old, and 60% 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 75 Either the percentage of females has reached 25%, and the percentage of those who hold a bachelor's degree reached 70%, masters 20%, and PhDs 10%, which means that they are

qualified to understand the topic, noting that the years of experience of the sample members were the largest percentage for the group of more than 15 years, at 55% .

### Analyzing the Results and Testing the Research Hypotheses:

The research hypotheses will be tested by asking a group of questions to the members of the research sample, as shown in the following:

### What are the Generally Accepted Auditing Standards?

To identify the generally accepted auditing standards, the frequencies, percentages, arithmetic averages, standard deviations and ranks of the responses of the study members were calculated on the phrases of the generally accepted auditing standards axis, and the results were as shown in the following Table 1.

Ferry Number	Phrase	Repetition	Degree of Approval				Average arithmetic	Standard deviation	Rank	
		The ratio %	Very big impact	Significant impact	Medium effect	Very little effect				Not effective at all
1	Appropriate scientific and professional qualification for all members of the audit team	Total	70	10	10	-	10	4.30	1.337	1
		%	70.0	10.0	10.0	-	10.0			
4	Adequate knowledge of the auditor of accounting and auditing standards	Total	50	10	10	20	10	3.70	1.567	2
		%	50.0	10.0	10.0	20.0	10.0			
2	Knowledge of the entire audit work team of the profession's rules, ethics and behavior	Total	20	30	40	-	10	3.50	1.179	3
		%	20.0	30.0	40.0	-	10.0			
5	The participation of the auditor in training, continuous qualification, and specialized professional	Total	10	40	30	10	10	3.30	1.160	4
		%	10.0	40.0	30.0	10.0	10.0			

	seminars									
3	The auditor has sufficient experience in the type of industry he practices and to which the client's establishment belongs	Total	10	20	30	-	40	2.60	1.506	5
		%	10.0	20.0	30.0	-	40.0			
The overall average								3.48	0.844	

*Source: Prepared by the researcher.*

It is evident from the results that the research personnel agree on the effect of one of the auditing criteria known to have a very large impact represented in the statement No. (1), which is “the appropriate scientific and professional qualification for all members of the audit team,” with an average of (4.30 out of 5). It is also evident from the results that the research individuals agree to two of the generally accepted auditing criteria that have a significant impact, represented in the two expressions No. (4 and 2), which were arranged in descending order according to the approval of the research members that their impact is significant, as the phrase No. (4) came, which is “adequate knowledge.” For the auditor with the accounting and auditing standards "ranked first in terms of approval of the sample members that their impact is significant, with an average of (3.70 out of 5), and the phrase No. (2), which is" knowledge of the entire audit work team of the rules, ethics and behavior of the profession "ranked second in terms of approval of the sample members However, its impact is significant, with an average of (3.50 out of 5). It is evident from the results that the sample members agree to a moderate degree on one of the recognized auditing standards that its impact is moderate in the statement No. (5), which is “the participation of the auditor in training, continuous qualification and specialized professional seminars” with an average of (3.30 out of 5). It is evident from the results that the sample members agree with a slight effect on one of the recognized auditing standards that its effect is very minor, which is represented in the statement No. (3), which is “the availability of sufficient experience for the auditor in the type of industry he practices and the client's establishment belongs to him” with an average of (2.60 out of 5).

### **What are the Organization, Reputation and Fame of the Audit Office?**

In order to identify the extent of the audit office's organization, reputation and reputation, the frequencies, percentages, arithmetic averages, standard deviations and ranks of the responses of the sample members were calculated on the phrases of the axis of the extent of the audit office's organization, reputation and reputation, and the results came as shown in the following Table 2.

Ferry number	Phrase	Repetition	Degree of approval					Average arithmetic	standard deviation	Rank
		The ratio %	Very big impact	Big impact	Medium effect	Very little effect	Not effective at all			
1	The goodwill and reputation of the audit firm	ك	90	-	10	-	-	4.8	0.632	1
		%	90	-	10	-	-			
2	The audit office is linked to one of the international auditing offices and companies	ك	40	20	10	20	10	3.6	1.506	2
		%	40	20	10	20	10			
3	The absence of legal and court cases against the audit office	ك	20	40	20	10	10	3.5	1.269	3
		%	20	40	20	10	10			
4	The high degree of competition between audit firms, especially in estimating fees, negatively affects the quality of audit work	ك	20	30	20	10	20	3.2	1.476	4
		%	20	30	20	10	20			
	The large size of audit firms and their reputation makes them more eager to employ highly qualified auditors to enhance the quality of auditing	ك	30	10	20	-	40	2.9	1.792	5
		%	30	10	20	-	40			
The Overall Average								3.6	0.73	

Source: Prepared by the researcher

It is evident from the results that the sample members agree on the impact of one of the auditing standards known to have a very large effect, represented by the statement No. (1), which is “the availability of good reputation and reputation for the audit office” with an average (4.80 out of 5). It is also evident from the results that the sample members agree with two of the extent of the organization of the audit office, its reputation and reputation that their influence is great, represented in the two statements No. (3 and 2), which were arranged in descending order

according to the approval of the sample members that their impact is significant, as the phrase No. (3) came, which is The audit office's association with one of the international auditing offices and companies "ranked first in terms of approval by the sample members that their impact is significant, with an average of (3.60 out of 5). Phrase No. (2), which is "the absence of legal and legal cases against the audit office," ranked second in terms of approval The sample individuals said that their impact is significant, with an average of (3.50 out of 5). It is evident from the results that the study individuals agree with two of the extent of the audit office's organization, reputation and reputation that their impact is moderate, represented in the two statements No. (5 and 4), which were arranged in descending order according to the approval of the study members that their effect is moderate, as the statement No. (5), which is "the high degree of competition between audit offices, especially in estimating fees, negatively affects the quality of audit work" came first in terms of the sample's approval that its effect is moderate with an average of (3.20 out of 5). No. (4) It is "the large size of audit offices and their reputation that makes them more eager to employ highly qualified auditors, which enhances the quality of auditing work" in second place in terms of approval of the sample members that their impact is average with an average (2.90 out of 5).

### The Third Question: What is the Independence of the Auditor?

In order to identify the extent of the auditor's independence, the frequencies, percentages, arithmetic averages, standard deviations and ranks of the responses of the sample members were calculated on the statements of the axis of the independence of the auditor and the results were as shown in the following table:

Ferry number	Phrase	Repetition	Degree of approval					Average arithmetic	standard deviation	Rank
		The ratio %	Very big impact	Significant impact	Medium effect	Very little effect	Not effective at all			
2	The existence of a personal relationship between the auditor and the management of the facility negatively affects the independence, and thus the quality of the audit process	ك	50	10	10	-	30	3.5	1.841	1
		%	50	10	10	-	30			

4	The fact that the audit office provides some advisory services to the client and fills out the tax return negatively affects the quality of the audit process	ك	30	20	10	20	20	3.2	1.619	2
		%	30	20	10	20	20			
1	The auditor shall enjoy integrity, objectivity and independence in his work	ك	20	20	20	20	20	3	1.491	3
		%	20	20	20	20	20			
3	There must not be a financial relationship between the auditor and the facility's management or accepting gifts of great value from the establishment	ك	-	10	60	20	10	2.7	0.823	4
		%	-	10	60	20	10			
<b>The overall average</b>								<b>3.1</b>	<b>0.543</b>	

Source: Prepared by the researcher.

It is evident from the results that the sample members agree on one effect of the independence of the auditor that its impact is significant, represented in the statement No. (2), which is "the presence of a personal relationship between the auditor and the management of the establishment that negatively affects the independence, and thus the quality of the performance of the audit process" with an average of (3.50) Of 5). It is also evident from the results that the sample members agree on three of the extent of the independence of the auditor that their impact is moderate, represented in the statement No. (4, 1, and 3), which were arranged in descending order according to the agreement of the sample members that their impact is moderate, as the statement No. (4) came, which is "The fact that the audit office provides some advisory services to the client and fills out the tax declaration adversely affects the quality of the audit process" in the first place in terms of approval of the sample members that its effect is moderate with an

average of (3.20 out of 5), and the phrase No. (1) came to be enjoyed by the auditor. With integrity, objectivity, and independence in his work, "the second place in terms of approval of the sample members that its impact is very large with an average of (3.00 out of 5). Finally, the phrase No. (3) came, which is that a financial relationship between the auditor and the management of the economic unit must not be established or gifts are accepted. Cash or in-kind gifts of great value from the economic unit, "ranked third in terms of approval of the sample members that their impact is very large, with an average of (2.70 out of 5).

### What is the Procedures and Implementation of the Audit Process?

To identify the extent of the procedures and implementation of the audit process, the frequencies, percentages, arithmetic averages, standard deviations, and ranks of the responses of the sample members were calculated on the terms of the extent of procedures and the implementation of the audit process, and the results were as shown in the following table:

Ferry number	Phrase	Repetition	Degree of approval					Average arithmetic	standard deviation	Rank
		The ratio %	Very big impact	Significant impact	Medium effect	Very little effect	Not effective at all			
2	The audit team examines, studies and comprehensively evaluates the internal control system for its clients that affects the procedures and implementation of the audit process	ك	70	20	-	10	-	4.5	0.972	1
		%	70	20	-	10	-			
3	The difficulty of the audit process, and the degree of complications associated with it, negatively affects the procedures and implementation of the audit process	ك	40	10	30	20	-	3.7	1.252	2
		%	40	10	30	20	-			

1	The robustness and integrity of the internal control system for the client under review affects the procedures and implementation of the audit process	ك	30	20	30	20	-	3.6	1.174	3
		%	30	20	30	20	-			
4	The use of technical means and modern methods in auditing work positively affects the procedures and implementation of the audit process	ك	10	40	30	10	10	3.3	1.16	4
		%	10	40	30	10	10			
The overall average								3.78	0.478	

Source: Prepared by the researcher

It is evident from the results that the sample members agree on the effect of one of the auditing standards recognized that its impact is very large, which is represented in the statement No. (2), which is “the audit team examines, studies and comprehensively evaluates the internal control system of its clients that affects the procedures and implementation of the audit process” with an average of (4.50 out of 5). It is evident from the results that the sample members agree on two of the extent of the procedures and the implementation of the audit process that their impact is significant, which are represented in the two statements No. (3 and 1), which were arranged in descending order according to the approval of the sample members that their impact is significant, as statement No. (3) came first in terms of The consent of the sample members that its effect is significant, with an average of (3.70 out of 5), and the statement No. (1) ranked second in terms of the approval of the sample members that its effect is significant, with an average of (3.60 out of 5). It is also evident from the results that the sample members agree on one of the extent of the procedures and implementation of the audit process that its impact is moderate in the statement No. (4), which is “the use of technical means and modern methods in auditing work that positively affects the procedures and implementation of the audit process” with an average of (3.30 out of 5).

From the above, the following becomes clear:

1. The sample members agree on the impact of one of the auditing standards recognized that its impact is very large, which is (the appropriate scientific and professional qualification for all members of the audit team), and that the sample members agree to two of the auditing standards that are known to have a great impact, which are as follows:
  - a. Adequate knowledge of the auditor in auditing accounting standards.

- b. Knowledge of the entire audit work team of the profession's rules, ethics and behavior.
2. The sample members agree on the effect of one of the auditing standards recognized that its impact is very large, represented in (the availability of good reputation and fame for the audit office), and the study individuals agree on two of the extent of the audit office's organization, reputation and reputation that their impact is significant, which are as follows:
  - a. The engagement of the audit office with one of the international audit offices and companies.
  - b. The absence of judicial and legal cases against the audit office.
3. That the sample members agree on one effect from the extent of the auditor's independence, that its effect is significant (the existence of a personal relationship between the auditor and the management of the establishment that negatively affects the independence, and thus the quality of the audit process). The auditor stated that its impact is moderate as follows:
  - a. The fact that the audit office provides some advisory services to the client and fills out the tax return negatively affects the quality of the audit process.
  - b. There must not be a financial relationship between the auditor and the facility's management or accepting gifts of great value from the establishment.
4. The sample members agree on the effect of one of the auditing standards recognized that its impact is very large, which is (the audit team examines, studies and comprehensively evaluates the internal control system for its clients that affects the procedures and implementation of the audit process), and the sample members agree to two of the extent of procedures and implementation The audit process that their significant impact is as follows:
  - a. The difficulty of the audit process, and the degree of complications associated with it, negatively affects the procedures and implementation of the audit process.
  - b. The robustness and integrity of the internal control system for the client under review affects the procedures and implementation of the audit process.

## **CONCLUSIONS AND RECOMMENDATIONS**

### **Conclusions**

1. Academic qualification, practical experience, and the audit's familiarity with recognized auditing standards are important influences on the quality of performance in the audit process.
2. The results showed that the organization of the audit office, its reputation, reputation, and its relationships with its clients positively affect the quality of auditing, to help enhance its position among other audit firms.
3. The independence of the auditor is one of the factors that positively affect the quality of auditing, as the independence of the auditor is considered the backbone of the profession of auditing.
4. The results confirmed that the auditor's reduction of his professional fees in order to attract clients negatively affects the quality of auditing accounts, as this may push him to waive some matters that affect the quality of the audit in order to retain the client.
5. The adoption by audit offices of quality control policies and procedures on auditing work leads to improving the quality of professional services provided by auditing offices, and leads to raising and advancing the profession of auditing.

### **RECOMMENDATIONS**

1. The accounting and auditing offices must be careful in selecting the auditors who have a sufficient degree of appropriate scientific qualification and sufficient practical experience.
2. Account auditors must be familiar with the generally accepted principles and standards of auditing and accounting, with the need to focus on keeping pace with recent developments in the profession.
3. Auditors must adhere to adopting professional rules, ethics and behaviors as a basis for guidance when completing the audit process.
4. Accounting and auditing firms must reduce non-professional competition between them, especially not to reduce fees in an attempt to attract new clients, as this threatens the quality of the profession's performance.
5. The auditors must maintain complete independence and support this approach as much as possible by setting controls and limitations through which this independence is not affected and thus the quality of the audit process is reduced.

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