

## Adopting international auditing standards to improve the : audit profession in government institutions

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### Abstract

The research aims to provide a theoretical framework on international auditing standards. The impact of international auditing standards on the audit profession in Iraq. Keeping abreast of the most important developments that occurred in international auditing standards and the organizations that issued them.

The deductive and inductive approach was adopted and a questionnaire was designed and distributed to employees at the University of Al-Muthanna for the purpose of reaching acceptable results that lead to achieving the objectives of the research and proving its hypotheses. The function of the audit profession has evolved in line with these changes and to meet its needs, as it has become an independent objective advisory function that contributes to enhancing the effectiveness of managing the economic unit and achieving its goals by improving the performance of its operations and imposing control over them, through the role played by the internal auditor as an advisor to the senior management. Therefore, the researcher recommends subjecting the internal control system in the economic unit on an ongoing basis to monitoring and evaluation through the presence of efficient internal auditing devices capable of taking on the tasks of examining the efficiency and effectiveness of the internal control system in it to face the developments and changes that accompany the implementation of the operations of the economic unit and to submit proposals that aim to achieve the benefit of the work.

### 1.Introduction

Today's business world is witnessing several changes and developments in various technological, economic and social fields, as well as the steady trend of globalization in these areas and the necessary need to facilitate, protect and preserve capital that moves between the economies of different countries. As accounting is the language of business, it has played - and must play - an important role in unifying the procedures and processing of financial data

for companies operating in different countries, and this was reflected in the issuance and development of international accounting standards by the International Accounting Standards Committee (IASC), and in the same direction, the International Audit Applications Committee (IAPC) of the International Federation of Accountants (IFAC) has issued many international auditing standards that regulate the audit profession, so this study will shed light on the factors affecting the application of international auditing standards in Iraq, whether these factors are internal (the internal environment of the organization) or External factors (the external environment of the organization), and the procedures followed in the performance of the audit profession for operations in the economic unit are carried out by the internal auditors following the steps of a fixed audit program or manual prepared according to the experience of the economic unit that is customarily used in the economic unit, and when a specific case appears that no Within this guide, the internal auditor uses personal judgments and accumulated practical experience, and this often leads to the creation of jurisprudence and difference in remuneration. Disagreements between internal auditors that generate inaccuracies and low confidence in the results of the audit profession.

Auditing accounts in government institutions is a profession governed by certain principles, rules and standards, and this profession becomes more complex from one period to another as a result of the complexity of business and financial, tax and legal problems, which has prompted many countries to pay attention to auditing standards in recent years and to use them to practice auditing, improve performance, and achieve a great deal. From compatibility in the personal judgments of auditors and working to raise the level of auditors' performance with a high degree of efficiency and effectiveness, the bodies in different countries sought to overcome the differences in the practice of accounting auditing between countries, and at the forefront of these bodies was the International Federation of Accountants represented by the International Audit Committee, which issued many guidelines Whether with regard to the auditors or the development of frameworks for auditing steps and procedures that work to standardize practices represented in international auditing standards, and for the purpose of familiarity with the various aspects of the subject, this research was divided into five sections. International and the third topic, it dealt with the theoretical framework of the audit and the third topic After that, I was concerned with the practical aspect of the research, then the study came out with a set of conclusions and recommendations in the fifth topic.

The first topic

## **2:Research Methodology**

The research methodology is the first step that clarifies the scientific path of the research, as it will present the research problem that gave light in doing this research, then the goal that it seeks to achieve, and then the importance of the research, as well as the research hypothesis that will be clarified at the end of the research, and its limits The temporal and spatial sources of information that the researcher relied on in the investigation and presentation of the research information as follows:

### **2-1: research problem:**

The problem of the research is that the procedures of the audit profession in Iraq are weak and not fully in line with international auditing standards, on the one hand and on the other hand, a statement of the most important changes that have occurred in international auditing standards and what are the reasons behind these changes and may eventually cause the loss of accounting protection as a result of non-accreditation Modern auditing standards that keep pace with accounting developments, making them unable to meet contemporary requirements, and the research problem emerges in the following question:

Will the adoption of international auditing standards improve the audit profession in government institutions?

## 2-2: Research objectives:

The research aims to achieve the following:

- .1 Providing a theoretical framework on international auditing standards.
- .2 Statement of the impact of international auditing standards on the audit profession in Iraq.
- .3 Keeping abreast of the most important developments that occurred in international auditing standards and the organizations that issued them.

## 2-3: importance of research:

The importance of the study comes from the increasing importance of the topic of international auditing standards globally, which is witnessing increasing interest by academic and professional bodies. direction. And clarifying the ways to overcome the factors that hinder these standards and to strengthen and support the factors that facilitate their application.

## 2-4: Research Hypothesis:

The research is based on a basic premise as follows: that the adoption of international auditing standards will lead to the improvement of the audit profession in government institutions. The following hypotheses are derived from this hypothesis:

- ☐ The laws, legislation, and principles that regulate government accounting in government institutions are sufficient to ensure good practice of international auditing standards
- ☐ Audited accounting information in accordance with international auditing standards provides feedback that improves the decision-making process.
- ☐ The existence of international auditing standards for which the auditor is obliged to be guided when performing the audit profession.

## 2-5: Limits of the search:

□ Spatial boundaries: Al-Muthanna University was chosen.

□ Time limits: The year 2020 AD was chosen.

#### 2-6: Research community and sample:

The University of Al-Muthanna was chosen as a research community and the auditors were selected as a random sample for the purpose of conducting the research.

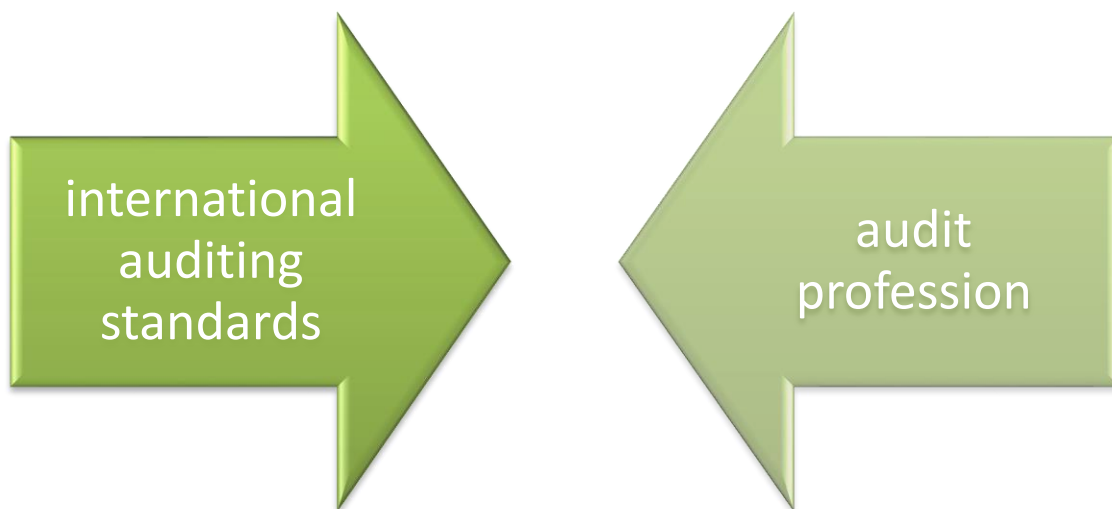
#### 2-7: Research Methodology:

The researcher used the descriptive approach in dealing with the research problem and proving its hypotheses on the theoretical side to achieve the objectives of the research and relying on a set of research tools for the purpose of completing the requirements of the theoretical and field side of the research.

#### 2-8: Techniques collecting data and information:

Reliance was placed on books, letters, theses, research and periodicals obtained from libraries as well as the Internet. On the practical side, a questionnaire was designed for the purpose of distributing it to the individuals, the research sample, and then analyzing it and reaching acceptable results.

#### 2-9: search form:



Research form prepared by the researcher

The second topic

What are international auditing standards?

#### 3: The concept and nature of auditing standards

The audit standards are a measure of professional performance, which is the model used in judging the quality of the work performed by the auditor (Sobh, 2006: 33). in evaluating audit

results. (Al-Gawhar, 1999: 30) Since standards are the basis for measuring performance for individuals and organizations, the standard is a desirable goal and required to be achieved, or it is a pattern that arises by custom or by public acceptance or is established through scientific, professional, governmental, or legislative authority, and that setting up The standard aims to create a basic basis for work that guides a group of people within the scope of their work conditions (Bameshmos, 2003: 30)

One of the most important basic components of any developed profession is the necessity of having certain standards or levels of performance that are recognized among the practitioners of this profession who work in its light and follow its guidance in all stages of work. 16) Where auditing standards are the guide for practitioners of this profession, the judiciary and the courts, in addition to that they prepare the guide for students and teachers of the science of auditing (Mahmoud, 2002: 12). In view of the importance of the profession of auditing, especially in giving more credibility to the accounting data, it has begun to think seriously about providing written rules and principles of practice for this profession so that it is easy to refer to them and abide by its provisions instead of what was customary and thus reduced the jurisprudence in this field and thus emerged the auditing standards, which It can be defined as: "the patterns that the auditor should follow in the performance of his task and that are logically deduced from the assumptions and concepts that support them" (Thomas and Henke, 1989: 52.)

### 3-1 : The emergence and development of auditing profession standards

Whatever the consensus or difference between historians about the emergence and development of the audit profession over time, but it is possible to define the concept and methodology of the modern audit profession, which was its beginnings in 1941 with the establishment of the Institute of Internal Auditors in Florida - America IIA, and with it and with its development, the concepts, methodology and mechanisms of the audit profession began to become clear, and he began to feel Internal auditors with a decent professional level (Sobh, 2007: 104.)

The Institute of Internal Auditors (IIA) is recognized around the world and is the leader and career guide for internal auditors in the areas of ratings, education, research and practice evidence for internal auditing.

In this direction, the Institute in 1974 formed committees to study and propose an integrated framework for the professional performance standards of internal auditing. In 1977, the committees completed their work and submitted a report on the results of their study. The report included multiple criteria for the development of the audit profession and its professional performance (Al-Gawhar, 1995: 15). (Khalaf, 2004: 21).

The Institute of Internal Auditors (IIA) has set five general standards for the IIA Practice Standards in 1993, which are: (The Arab Society of Certified Accountants, 2001: 231)

Table No. (1)

الموضوع	رقم المعيار
<b>Independence</b>	<b>100</b>
<b>Professional Proficiency</b>	<b>200</b>
<b>Scope of Work</b>	<b>300</b>
<b>Performance of Audit Work</b>	<b>400</b>
<b>Management of the Internal Auditing Department</b>	<b>500</b>

In 1999, the Institute's Board of Directors reached a new professional framework

New Professional Practices Framework As part of this framework, new audit standards were developed, effective from January 1, 2002, after which revision and amendments were made, effective from January 1, 2007. Under the priority of internal audit, primary and secondary divisions were placed under the two headings. the following two main ones: (Sobh, 2007: 108)

#### A- Standards for traits

New general attributes and job performance standards in 2001.

#### B- Standards for application and implementation Compliance with performance standards

These attributes are described in adjectives that describe an internal rating, and the attributes of internal standards of quality/can describe these qualities in general attributes. Performs audit work in the audit work in the way of internal and advisory activity that is used by internal auditors. The following tables show, the following table shows the following table, the following table shows the following table, the following table shows the following table:

Table (2) International Standards for the Professional Practice of Internal Auditing

Summary of the content of the standard	Standard No.	adjective criteria
<b>The purpose, authority (authority) and responsibility of the internal audit activity must be formally defined and clarified</b>	1000	<b>* Objectives, Powers and Responsibilities of Internal Audit</b>
	1100	<b>Independence and objectivity</b>
	1110	<b>The independence of the company (administrative)</b>
	1120	<b>- Objectivity of individuals</b>
	1130	<b>Damage to independence or objectivity</b>
<b>Audits must be carried out efficiently and with professional care.</b>	1200	<b>* Rehabilitation and professional care</b>
	1210	<b>- Vocational qualification</b>
	1220	<b>- professional care</b>

	123	Continuing professional qualification
There must be continuous development and improvement of the audit program and attention to the quality of the performance of the internal audit activity.	1300	* Quality improvement and assurance program
	1310	Quality / Quality Assessment Program
	1320	Reporting a quality program
	1330	Use of "Procedure" in accordance with "Standards"
	<b>1340</b>	<b>Disclosure of inconsistency</b>

A summary of the content of the standard	Standard No.	Implementation Standards
The audit manager must effectively manage the internal audit activity and pay attention to the planning phase to determine the priorities of the internal audit activity.	2000	* Managing the internal audit activity
	2010	- planning
	2020	- contact and consent
	2030	- Resource Management
	2040	- Policies and procedures
	2050	- coordination
	2060	Reporting to the board and senior management
The internal audit activity must evaluate and contribute to improving the processes of governance, control and risk management to help management perform its work efficiently and effectively.	2100	* work nature
	2110	- Risk Management
	2120	- settings
	2130	Governance (good governance)
Internal auditors must develop and document a plan for each engagement, including scope, timing, objectives, and resource allocations.	2,200	* Commissioning planning (task)

	2201	<b>Planning considerations</b>
	2210	<b>Commissioning objectives</b>
	2220	<b>- Scope of commissioning</b>
	2230	<b>- Allocation of commissioning resources</b>
	2240	<b>Commissioning work program</b>
<b>Internal auditors must analyze and document sufficient information in order to achieve the objectives of the engagement.</b>	2300	<b>* Completion of the assignment (implementation of the audit assignment)</b>
	2310	<b>- Specify information</b>
	2320	<b>Analysis and evaluation</b>
	2330	<b>Documentation of information</b>
	2340	<b>- Supervising the assignment</b>
<b>When preparing the report, internal auditors must communicate the results of the audit</b>	2400	<b>* Reporting of results (delivery of the report)</b>
	2410	<b>Communication Standard</b>
	2420	<b>- Quality of communication (quality of the report)</b>
	2430	<b>Disclosure of mission and non-conformance with standards</b>
	2432	<b>Errors and omissions</b>
	2440	<b>- publish results</b>
<b>The audit manager must follow up on the implementation of the recommendations contained in the report.</b>	2500	<b>* Achievement control</b>
<b>The management's responsibility for not taking the recommendations of the internal auditor and the risks that may ensue as a result, and the actions taken by the internal auditor in this case should be determined.</b>	2600	<b>* Management of risk acceptance solution</b>

The source is prepared by the researcher

It is noted through the previous presentation of the internal auditing standards, the extent of the ambition of the Institute of Internal Auditors (IIA) to expand the concept, scope and organization of the internal audit profession. On the part of the institute itself. Under the five standards of internal audit, primary and secondary divisions fall under the following two main headings: (Sobh, 2007: 108)



A- Attribute Standards: Attribute standards are concerned with the attributes of companies and individuals, i.e. auditors who perform the services of the audit profession. They include standards category No. 1000 to 1999.

B- Compliance Performance Standards are an expansion of the attributes standards, as they describe the nature of the audit profession services, as well as give a quality/quality standard through which the performance of those services and in general can be measured. It also describes the application of standards in certain types of auditing profession through the assurance and advisory activities carried out by internal auditors. The international auditing standards are also a homogeneous framework applicable to all international professional levels, which does not conflict with the generally accepted auditing standards and does not prevent any country from issuing its own auditing standards (Al-Hamid, 2007: 23)

In March 2009, the International Auditing Standards Board announced the completion of its extended program, which lasted for 18 months, to comprehensively review international auditing standards in order to improve their clarity. Understanding, applying and facilitating their translation (International Standards for Quality Control, Auditing, Auditing, Other Assurance Operations and Related Services, 2010)

### 3-2: Objectives of the audit standards

International auditing standards are applied when auditing financial statements and when auditing information and related services. The main objective of issuing them is to find professional levels and guidelines for auditing accounts and related services that are universally applicable. It also aims to determine how the audit function is exercised. The standards also have at least two basic functions (mashed, 2017: 18):

- A tool for communication and clarification of the nature of audit requirements for various categories
- A means of evaluating professional performance after performing the audit.

Thus, international auditing standards aim to increase the effectiveness of the auditor's work, and its scope is wide, as it includes all services performed by the auditor, including examination, confirmation and related services.

### Fourth: The advantages offered by international auditing standards

International auditing standards have many advantages and benefits for audit offices and for users of financial statements or accounting in general, which are as follows (Maharusha, 2017: 18):

For audit offices, which adopt standards, the main benefit is to facilitate the space for these offices to operate at the international level, which requires certain conditions provided by

international standards, and the adoption of standards by offices makes the demand for their shares more, especially by foreign investors.

As for the users of financial statements, the advantages are to provide audit reports of high quality and comparable with other institutions in other countries. Also, the presence of these standards provides a minimum level of disclosure that helps users of financial statements in the process of making rational financial decisions, and audit reports prepared based on these standards are easier to understand and comprehend by foreign users of audit reports.

As for the accounting and auditing profession, international standards help to advance the profession in terms of providing qualified accountants who are able to work according to these standards in most countries of the world, and it also helps to standardize many audit procedures and terminology related to accounting and auditing between different countries. The adoption of international standards also helps to advance the profession of accounting and auditing in countries that do not have accounting and auditing standards of their own. International standards are also characterized by the fact that they were developed based on the conditions and needs of most countries and were not directed to specific countries, and are characterized by their acceptance by many countries. The world, thus facilitating the comparison of audit reports based on them for institutions from different countries

The third topic

Theoretical framework for checking

#### 4: The concept and definition of the audit profession

The term “audit” is derived from the Latin word Audire, which means “to listen” because the accounts were recited to the auditor. The recording and auditing processes improved after organizing the accounts on the basis of the double method that was published in the book of the Italian scientist Luca Paciolo, which appeared in Venice in the fifteenth century in the year 1494 AD. (Juma, 2000: 7)

The audit profession arose as an inevitable result of economic development and its launch from the field of individual projects to the world of large projects. The administration's urgent need to provide an important means to assist it in accomplishing its tasks played a major role in creating this type of audit within the units. With the increase in the size of those units and the degree of complexity in them, this led to an increase in interest in the audit profession as a major component of the unit's internal control. The audit in its simple sense is nothing more than a work carried out by individuals to ensure the correctness of the performance of the work of other individuals, and it must be performed in a manner that takes into account certain bases, and the audit is carried out in the light of those bases, and the person conducting the audit should be other than the person who carried out the implementation, and be He has a great deal of knowledge and awareness of the nature of the work and how to do it

so that he can judge the correctness of doing it, otherwise the need for scrutiny will be eliminated. (Osman, 1999: 11)

#### 4-1: Objectives of the audit profession

The success of any activity depends on To define the goals accurately and clearly and determine the means to achieve the goals, taking into account the effectiveness, efficiency and economics. This applies to the activity of the audit profession as the activity of evaluating the systems and the activities of all the establishment Since the audit profession is carried out after the implementation of the accounting operations, the discovery of fraud and errors and the control of accounting data represents the main objective of the internal audit, i.e. Verification to ensure the integrity of records, accounting data, and the preservation of the assets of the facility. (The Arab Society of Certified Public Accountants, 2001: 228) The development of the audit profession has been accompanied by a remarkable development in its objectives, verification and examination, as well as the degree of reliance on the internal control system. The American Institute of Internal Auditors has identified the objectives of the audit profession as follows: (Othman, 1999: 131)

- 1- Ensuring that the policies, plans and procedures established by the administration are implemented as they are without any deviation.
- 2- Auditing and evaluating the efficiency and effectiveness of the financial and accounting control methods followed by the facility.
- 3- Ensuring the availability of adequate protection for the assets of the facility against theft, embezzlement and extravagance.
- 4- Verify the reliability of the accounting and statistical data installed in the books and records of the establishment.
- 5- Performance evaluation at the level of responsibility centers.

#### 4-2: The difference between the internal auditor and the external auditor

The ultimate goal of both the audit profession and the external audit after its development, is to raise the productive efficiency of the project and in different ways. (Nouri and Jawad, 1985: 23) However, there are basic differences that distinguish each of them from the other, and this can be seen through Table (3), which presents a comparison between the internal auditor and the external auditor- :

**Table (3) A general comparison between an internal auditor and an external auditor**

**Subject matter internal auditor external auditor**

<b>external auditor</b>	<b>internal auditor</b>	<b>the topic</b>
<b>An independent contractor, who is not part of the company but is commissioned by the company, and is a recognized third party to perform external audit functions.</b>	An employee of the company works full time and is part of the facility / or it can be an independent external company	<b>functional relationship</b>
<b>Auditing financial statements, reviewing processes and controls in a sample manner.</b>	Review review of all operations and controls in all aspects of the company's financial and non-financial.	<b>comprehensiveness of work</b>
<b>It is incidentally and indirectly concerned with preventing fraud, but it is directly concerned when fraud has a significant effect on the financial statements.</b>	Directly concerned with preventing or preventing fraud in all its forms in the activities subject to audit	<b>cheat</b>
<b>Completely independent of the management and the board of directors, in fact, as in the state of mind.</b>	Independent of the audit activities, but ready to respond to the needs of management.	<b>independence</b>
<b>Periodic audit of records supporting the financial statements.</b>	Ongoing review of activities	<b>work patrol</b>
<b>Assigned as Voted upon in the General Assembly</b>	Appointed by the Chairman and/or the Board of Directors or the Audit Committee	<b>appointment</b>
<b>It gives an opinion on the financial statements and their application of local and international accounting standards, laws and regulations</b>	It gives periodic detailed reports showing effectiveness, efficiency, profitability and the extent of commitment in the application of what is prepared and planned, laws and regulations.	<b>Reports</b>
<b>Submitting a report on the financial statements. Submit a letter to the administration on the internal control system. Any other reports required by laws and regulations.</b>	<b>They provide their services to the company by helping it achieve its goals, improve operational processes, manage risks, internal control, and governance processes.</b>	<b>Services</b>

Source (Sobh, 2007: 84)

## 5: Fields of the audit profession

For the purpose of achieving the diverse objectives of the audit profession, which includes all activities, it is necessary to follow different forms and practices of the auditing profession.

-1Financial audit: Financial audit means examining the internal control systems, data, documents, accounts and books of the project under audit, an organized critical examination with the intention of coming up with a neutral technical opinion about the fairness of the financial statements expressing the financial status of that project at the end of a known period of time and the fairness of its portrayal of the results of its work. of profit or loss for

that period, and it is the most common type of audit in use. An audit of the financial statements is conducted to determine whether the comprehensive financial statements conform to specific standards, and these standards are usually recognized accounting principles and according to the cash basic or according to any other accounting basis that suits the facility. The financial statements generally include: (Arens, Lubeck, 2002: 24)

Statement of financial position

Income statement

Statement of cash flow

List of notes attached with these Footnote lists

.2Operational Audit: Operational audit is a test of the efficiency and effectiveness of the use of resources in the completed work for the purpose of improving performance in additional practices and procedures to study any specific case outside the scope of the audit process. The importance of this type of audit has increased in the past decade, as it has begun to be seen as an advisory to management rather than an audit process. (Othman, 1999: 139)

.3Management Audit After the administration increased its request for more appropriate information about the progress of its operations and the results associated with them than what is found in the financial statements and as a result of the growth of economic units and the increase in their size and competition between units, the need for a new type of modern control has emerged. Or it is directed towards the activities of the administration and evaluating its activities in the performance of plans, policies and procedures. Therefore, a new type of audit has emerged, which is the administrative audit, and it means (the audit of the administrative aspects of the project to ensure that the management is moving the project towards achieving the maximum benefit or possible return at the lowest possible cost) (Abdullah, 2000: 13).

#### 6: Duties of the Audit Committee

The Board of Directors delegates the responsibility for effective financial supervision to the Audit Committee in order to assume control and supervision, whether with regard to the integrity of the aspects of internal control or the operations of the audit profession or external. A committee called the Audit Committee or the Audit Committee shall be formed from members of the facility's board of directors and/or external consultants, provided that none of them has executive authority and that they are independent from management, and the number of committee members is not less than three, and that at least one Its members are experts in financial and accounting affairs.

Among the most important tasks of the Audit Committee are the following (Sobh, 2007: 69):

1- Evaluating the efficiency of the financial manager and the key financial management personnel.

2-Studying the internal control system, its sufficiency and effectiveness, and preparing a written report on its opinion in this regard.

3-Studying the financial statements before submitting them to the board of directors and making recommendations and expressing an opinion on them.

4-Studying the accounting policies used and expressing an opinion on them.

5 -Studying the audit plan with the External Auditor, making observations thereon, and following up the compatibility between the plan and the implementer.

6- -Studying the observations and recommendations of the external auditor on the financial statements and giving an opinion on them.

7- Evaluating the qualifications, performance and independence of the external auditor and proposing his fees.

The fourth topic

practical side

preamble

The mechanism of the audit profession process and its management in the economic unit, the research sample, can be summarized in the following: Based on the annual audit plan, the entity subject to audit is determined, which is called the audit or periodic inspection of branches and departments and perform special tasks according to work requirements or the requirements of higher management in addition to sudden inspections of branches the University . The field inspection process is carried out at the work site of the entity subject to the inspection, by issuing an order from the Department of Audit and Internal Control to form an inspection committee and assign them to audit the work of the departments affiliated with the Presidency and the colleges. that side. As for the desk audit process, it is a daily procedure through which statements and records are checked, checked, matched and verified.

6-1: Describe the sample resolution

This topic includes the analysis of the research variables at the level of the researched sample, based on the frequency distributions of the answers of the members of the research sample and their percentage to reach the arithmetic mean and the standard deviation for each paragraph of the questionnaire. Referred to the maximum value of the Likert scale (5) and is used to express the percentage of response or relative importance. Note that the standard hypothetical mean is (3), and the analysis of the paragraphs contained in the questionnaire for the research variables will be described through the responses of the researched sample in the light of the arithmetic mean, standard deviation, coefficient of variation and response ratios. The questionnaire included the following topics:

1- The first axis: it included general information about respondents on the paragraphs of the questionnaire, and it included the following (academic achievement, scientific specialization, length of service)

2-The second axis: It included the following:

- International Auditing Standards: This variable was measured through (11 paragraphs)
- The audit profession: It was measured through (11 paragraphs) as well. Table No. (4) presents a detailed description of the research sample.

**Table (4) Research sample individuals according to academic achievement**

ratio	Number	Certificate	No.
-	-	PhD	1
3	2	Master's	2
83	50	BA	3
14	8	diploma	4
-	-	middle school	5
100	60	The total	

Source: Prepared by the researcher

It is evident from Table (4) that the holders of a bachelor's degree for the sample occupied the highest percentage, reaching 83%, and it is noted that the holders of higher degrees occupied the few percentages, which amounted to 3%.

**Table (5)**

**Persons of the research sample by scientific specialization**

ratio	Number	Scientific specialization	No.
69	41	Accounting	1
15	9	Business Administration	2
8	5	Economie	3
8	5	Banking and Financial Sciences	4
-	-	other	5
100%	60	The total	

Source: Prepared by the researcher

In Table (5), the accounting major occupied the highest percentage, amounting to 69%, while the lowest percentage was equal to the majors of economics, financial and banking sciences, reaching 8%, and the specialization of business administration was 15%, which indicates that nearly a quarter of the number is far from the majors Auditing and accounting.

**Table (6)**

**Personnel of the research sample according to years of service**

ratio	Number	Years of service	No.
<b>48</b>	29	1 – 10	<b>1</b>
<b>52</b>	31	10– 25	<b>2</b>
-	-	25 - 35	<b>3</b>
-	-	36 and above	<b>4</b>
<b>100%</b>	<b>60</b>	<b>The total</b>	

Source: Prepared by the researcher

Table (6) reflects 48% of the sample members whose number of years of service ranged from one to 10 years, followed by the percentage of individuals whose number of years of service ranged between 10-25, which amounted to 52%, which indicates that the majority of employees are with accounting experience in the University.

6-2: The statistical methods used in analyzing the answers of the research sample:

The first axis: international auditing standards

This axis includes the following:

**Table (7)Arithmetic mean and standard deviation of the first axis**

standard deviation	Arithmetic mean	questions	ت
<b>0.48</b>	4.65	The adoption of international auditing standards in Iraq faces obstacles that prevent the application of these standards	<b>1.</b>
<b>0.73</b>	4.02	International auditing standards have all the accounting information, which is easy to understand for the average user.	<b>2.</b>
<b>1.04</b>	4.70	The use of international auditing standards in auditing the final accounts would make these accounts understandable by users.	<b>3.</b>
<b>0.70</b>	4.40	International auditing standards provide timely information for use in decision making	<b>4.</b>
<b>0.71</b>	4.50	The bodies concerned with financial reports work in accordance with international auditing standards in order to develop accounting processes to suit the needs and requirements of users.	<b>5.</b>
<b>1.07</b>	3.85	The presentation of audited financial reports according to international auditing standards will help in obtaining them easily by users.	<b>6.</b>
<b>0.74</b>	4.40	International auditing standards help users understand the nature of the activity of a government unit and the government as a whole	<b>7.</b>
<b>1.26</b>	3.80	Accounting systems prepared in accordance with	<b>8.</b>



		international accounting standards honestly reflect the facts and financial events that represent them.	
<b>0.74</b>	4.40	The audited information in accordance with international auditing standards presented by government units is public and can be viewed by everyone.	<b>9.</b>
<b>0.67</b>	4.45	The audited accounting information in accordance with international auditing standards provides feedback that improves the decision-making process.	<b>10.</b>
<b>0.49</b>	<b>4.60</b>	<b>Accounting information contributes to correcting and enhancing decisions and ensuring their effectiveness.</b>	<b>11.</b>

Source: Prepared by the researcher according to the results of the calculator

The table indicates the following:

□ Question (1) (The adoption of international auditing standards in Iraq faces obstacles that prevent the application of these standards obtained an arithmetic mean of 4.65 and a standard deviation of 0.48, which indicates the response of the research sample to the movement of the scale and a small dispersion in the answers.

□ Question (2) (International auditing standards have all accounting information, which is easy to understand for the average user.): He obtained an arithmetic mean of 4.02 and a standard deviation of 0.73, which indicates a clear response to the movement of the scale and a small dispersion in the answers, and this confirms that the internal auditor independent of the activities it audits.

□ Question (3) (The use of international auditing standards in auditing final accounts would make these accounts understandable by users.): He obtained an arithmetic mean of 2.70 and a standard deviation of 1.04, which indicates that the research sample did not respond to the scale movement and a high dispersion in the answers.

□ Question (4) (International auditing standards provide information at the right time to benefit from it in decision-making): he obtained an arithmetic mean of 4.40 and a standard deviation of 0.70, which confirms the response of the research sample with the movement of the scale and little dispersion in the answers.

□ Question (5) (The authorities concerned with financial reports work in accordance with international auditing standards in order to develop accounting operations to suit the needs and requirements of users.): He obtained an arithmetic mean of 4.50 and a standard deviation of 0.71, which indicates a clear response to the research sample to the movement of the scale.

□ Question (6) (The presentation of audited financial reports in accordance with international auditing standards will help in obtaining them easily by users). : He obtained an arithmetic mean of 3.85 and a standard deviation of 1.07, which indicates the response of the research sample with the movement of the scale and a high dispersion in the answers.

□ Question (7) (International auditing standards help users to understand the nature of the activity of the governmental unit and the government as a whole): He obtained an arithmetic

mean of 4.40 and a standard deviation of 0.74, which indicates a high response to the research sample with the movement of the scale.

□ Question (8) (The accounting systems prepared in accordance with international accounting standards honestly express the facts and the financial events that represent them.): He obtained an arithmetic mean of 3.80 and a standard deviation of 1.26, which indicates the response of the research sample with the movement of the scale.

□ Question (9) (The information audited in accordance with international auditing standards presented by government units is public and can be viewed by everyone..). He obtained an arithmetic mean of 4.40 and a standard deviation of 0.74, indicating a clear response to the research sample with the movement of the scale and a weak dispersion in the answers.

□ Question (10) (The audited accounting information in accordance with international auditing standards provides feedback that improves the decision-making process.). He obtained an arithmetic mean of 4.45 and a standard deviation of 0.67, which is a clear indication of a high response of the research sample with the movement of the scale and a small dispersion in the answers. Which means accepting the second research hypothesis.

□ Question (11) (Accounting information contributes to correcting and enhancing decisions and ensuring their effectiveness.): He obtained an arithmetic mean of 4.60 and a standard deviation of 0.49, and this is clear evidence of a very high response to the research sample with the movement of the scale and a very small dispersion in the answers.

The second axis: the audit profession

This axis includes the following:

**Table (8) Arithmetic mean and standard deviation of the second axis**

standard deviation	Arithmetic mean	questions	ت
0.38	4.82	The laws, legislation and principles that regulate government accounting in government institutions are sufficient to ensure good practice of international auditing standards	1.
1.01	3.80	The audit profession should be linked to the highest administrative level and independent of the executive departments.	2.
0.92	3.85	Preparing Iraqi auditing standards is more appropriate than applying the idea of international auditing standards in government institutions	3.
0.75	4.30	The internal auditor is tasked with organizing some accounting work, if necessary.	4.
0.87	3.90	There is compatibility between the government accounting	5.

		system applied in Iraq and international auditing standards	
<b>1.10</b>	3.95	In light of the current circumstances that Iraq is going through, there is a possibility to apply international auditing standards to its accounting systems	<b>6.</b>
<b>0.99</b>	4.32	The internal auditor verifies the compliance of the established systems with the laws and regulations that have an effective impact on the operations of the economic unit and prepares reports on them.	<b>7.</b>
<b>0.63</b>	4.60	Government financial reports should be published soon enough after events have been recorded to assist information users in carrying out their activities	<b>8.</b>
<b>0.84</b>	3.82	Information is comparable when those who use it are able to identify points of similarity and difference between two or more government units in a given period of time.	<b>9.</b>
<b>0.93</b>	4	The existence of international auditing standards for which the auditor is obliged to be guided when performing the audit profession.	<b>10.</b>
<b>0.85</b>	3.87	The accounting system in Iraq helps in improving the audit profession in the governmental unit and the government as a whole.	<b>11.</b>
<b>0.49</b>	<b>4.75</b>		

Source: Prepared by the researcher according to computer results

The table indicates the following:

□ Question (1) (The laws, legislation, and principles that regulate government accounting in government institutions are sufficient to ensure good practice of international auditing standards). He obtained an arithmetic mean of 4.82 and a standard deviation of 0.38, which indicates a clear and strong response to the research sample. Which means that the first sub-hypothesis is accepted.

□ Question (2) (The audit profession should be linked to the highest administrative level and independent of the executive departments.): He obtained an arithmetic mean of 3.80 and a standard deviation of 1.01, which indicates the response of the research sample to the movement of the scale and a high dispersion in the answers.

□ Question (3) (The preparation of Iraqi auditing standards is more appropriate than applying the idea of international auditing standards in government institutions): it obtained an arithmetic mean of 3.85 and a standard deviation of 0.92, which indicates the response of the research sample with the movement of the scale and a small dispersion in the answers.

□ Question (4) (The internal auditor is tasked with organizing some accounting work, if necessary.). He obtained an arithmetic mean of 4.30 and a standard deviation of 0.75, which confirms a clear response to the research sample with the movement of the scale and a small dispersion in the answers.

□ Question (5) (there is agreement between the governmental accounting system applied in Iraq and international auditing standards): he obtained an arithmetic mean of 3.90 and a

standard deviation of 0.87, which indicates a clear response to the research sample with the movement of the scale and a weak dispersion in the answers.

□ Question (6) (In light of the current conditions that Iraq is going through, there is a possibility to apply international auditing standards to its accounting systems): he obtained an arithmetic mean of 3.95 and a standard deviation of 1.10, which indicates the response of the research sample with the movement of the scale and a high dispersion in the answers.

□ Question (7) (the internal auditor checks the compliance of the established systems with the laws and regulations that have an effective impact on the operations of the economic unit and the preparation of reports on them.): He obtained an arithmetic mean of 4.32 and a standard deviation of 0.99, which indicates a strong response of the research sample with the movement of the scale And to scatter the answers.

□ Question (8) (Government financial reports should be published soon enough after the events are recorded to help information users carry out their activities): he obtained an arithmetic mean of 4.60 and a standard deviation of 0.63, which clearly indicates a strong response of the research sample with the movement of the scale.

□ Question (9) (The information is comparable when those who use it are able to identify points of similarity and difference between two or more government units in a certain period of time.): He obtained an arithmetic mean of 3.82 and a standard deviation of 0.84, which indicates the response of a sample Search with scale

□ Question (10) (The existence of international auditing standards for which the auditor is obliged to be guided when performing the auditing profession process.): He obtained an arithmetic mean of 4 and a standard deviation of 0.93, which indicates a clear response to the research sample with the movement of the scale and a weak dispersion in the answers. Which means that the third sub-hypothesis is accepted.

□ Question (11) (The accounting system in Iraq helps in improving the audit profession in the governmental unit and the government as a whole.): He obtained an arithmetic mean of 3.87 and a standard deviation of 0.85, which indicates the response of the research sample with the scale movement and a weak dispersion in the answers.

At the end of this axis, it can be concluded that the audit process according to the professional performance standards of internal auditing in the economic unit helps to raise the level of the audit profession and raise the efficiency of performing audit tasks in it. With an objective and independent opinion that the operations of the economic unit are monitored and scrutinized in an efficient and effective manner and provide credibility and confidence in the results of these actions at an acceptable level, which ultimately leads to achieving the main research hypotheses, which states that the adoption of international auditing standards will improve the audit profession in government institutions.

Fifth topic

Conclusions and Recommendations

## 7: the conclusions

1-As a result of the changes that have occurred in the business environment, which have had an impact on the audit profession, the audit profession has developed in line with these changes and in response to its needs, as it has become an independent objective advisory function that contributes to enhancing the effectiveness of the management of the economic unit and achieving its goals by improving the performance of its operations and imposing control over them. Through the role of the internal auditor as an advisor to senior management.

2- Both the audit profession and the external audit aim to raise the efficiency of performing administrative and operational work, in addition to evaluating the internal control system and reaching the accuracy and completeness of financial statements in different ways, despite the existence of basic differences that distinguish each from the other.

3-Forming an audit committee in the economic unit and assuming it the responsibility of following up and supervising the activity of the audit profession and organizing the transaction with the external auditor, which is among its competencies, would reduce the burdens placed on the board of directors and its chairman.

4-The proper and appropriate internal control system in the economic unit and comprehensive of all activities practiced by it, constitutes an essential part of the comprehensive economic unit control to prevent or reduce errors and risks that the economic unit may be exposed to through the administration's setting up of control systems based on rules and controls that control workflow in it.

5- It is noted from the Iraqi auditing standards and the international standards of auditing that they are few in number, but it can be said that the topics they dealt with are generally sufficient and appropriate, although they did not address the subject of the audit profession except to refer to it in some paragraphs contained within the guide.

6- International auditing standards included International Standard No. 610, which focused on the field of external auditor's accreditation on the audit profession's work as a tool for his work when it becomes clear to him the impartiality of the internal auditor and the efficiency of his work performance and the availability of evidence that supports the validity, honesty and objectivity of the audit profession.

## 8: recommendations

In light of the conclusions that were presented for this research, the researcher recommends the Iraqi economic and commercial unit the following recommendations:

1- The necessity of subjecting the internal control system in the economic unit (faculties affiliated with the University of Al-Muthanna) on an ongoing basis to monitoring and evaluation through the presence of efficient internal audit bodies capable of undertaking the tasks of examining the efficiency and effectiveness of the internal control system in it to face

developments and changes that accompany the implementation of the operations of the economic unit and to submit proposals that Aiming to achieve the benefit of the work.

2- The necessity of establishing and having internal audit departments in the branches of the economic unit that are administratively subordinate to the Director General, where reports are submitted to him on the progress and regularity of work in the various branches, and the head of this department must organize these departments and set the organizational structure for them.

3- The necessity for the audit profession bodies of the university and its affiliated branches to follow a set of approved foundations and standards in order to raise the level of the audit profession and raise the efficiency of the performance of its employees related to the practice of the audit profession such as independence, objectivity, professional competence, integrity, scientific excellence and a set of standards that represent the basic procedures for performing and managing the activity of the audit profession in order to A high level of performance is achieved in the audit work and reliance on it in achieving indicators of effectiveness, efficiency and economics in the audit process.

4- The necessity of activating the audit profession committees in the economic unit to take their role in detail in supervising and following up on the work of the audit profession through its non-executive members with experience in accounting and auditing, as their presence enhances the independence and quality of performance of the auditing profession's departments.

5- It is necessary for the departments of the economic unit to follow up on the recommendations of the internal auditor and to work on their implementation. Thus, the employees of the economic unit will know the amount of support enjoyed by the internal auditor from the highest administrative levels in it.

6- The need for the Iraqi economic unit departments to pay attention to the standards of the audit profession issued by the IIA for use by the internal economic unit auditors in the audit work and the need to increase the awareness of the internal auditors using these standards as they increase the efficiency of their performance and enhance confidence in the results of the audit profession and rely on it.

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