

## **Performance of internal scrutiny and its reflection on the achievement of the value added of the company in breach of its commitment to the requirements of the report issued by CBOK and branded “Delivering on the Promise” Field study in a sample of Iraqi public companies**

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### **Abstract:**

It is most significant to focus on the performance of internal scrutiny of private corporate giants because it has an impact on the company's overall performance and the added value it brings to the company in case the company's good scrutiny is reflected positively in the company's enhanced position and competition in the surrounding economic environment. Therefore, the Global Internal Audit Common Body of Knowledge: (CBOK) in 2015 affiliated with the Institute of Internal Auditors (AII) called in its report “Delivering on the Promise” on how to measure the value of internal audit performance and how it can be achieved. The internal audit department is an added value to him and the company as a whole through its good performance, which must be based on the basic functions, providing confirmation services. This study applied the requirements of this report to the major Iraqi public companies because of their influence on the Iraqi economy, which is in favour of using the Library List. The findings are that the internal audit departments of the two companies are professional and bring added value to their Foreign Service provider.

### **Introduction:**

The Internal Audit System (IAD) is the main pillar of corporate success and continuity, given the fact that it provides the company's Senior Finance and Operational and Financial Service (HFID) with its verification, assurance and certification of its financial and financial lists. It is for this reason that we focus on the Internal Audit Section's scrutiny and attention and develop its performance in order to apply modern methods of scrutiny and to take into account the recommendations of professional auditing organizations such as the Institute of Internal Auditors (AII), which regulates the Internal Audit profession to be attuned to the evolving requirements of the economic environment and to focus on measuring the value that the company's internal audit department achieves from issuing reports on how to conduct this assessment, the most recent of which is "Fulfilling the Covenant." Internal Global Shared Checking Knowledge Body (CBOK) (2015 showing the third pillars of internal audit performance evaluation) confirmation services, advice Objective, visionary activity). This study therefore shows the extent to which the internal audit departments of Iraqi public companies have been accredited. The big ones are having an impact on the national economy. The study was divided into a third part of the research methodology, a second part of the

research methodology, a second part of the theory and a good part of the operational aspect with the most important scenarios and proposed recommendations.

### **Importance of the study:**

As a result of changes in organizational and technological statistics and the complexity of the activities and systems of the organizations, the nature of the services required from the internal investigator has shifted over time. The investigator's career has evolved from being a tool that provides objective confirmation of the integrity of the balance sheets and their compatibility with accounting principles and standards to being an assurance and advisory tool that adds value to the Organization from its cooperation and engagement with management to achieve organizational objectives. This study is to determine the extent to which internal auditors can add value to their own organization to assess the performance of the internal checker's value in accordance with the Covenant Compliance Report.

### **The problem of the study:**

Internal auditing of public companies is always evaluated on the basis of the strength of the company's internal control system, the extent to which the company's goal-scorer and the verification process have been achieved in the light of the auditing criteria. This is central to the process of evaluating the internal investigator or the internal audit section of the company. But after the development of the internal audit profession, I went from a confirmation and verification profession, to a confirmation and consulting profession, especially after the development of the verification standards issued by the Institute of Internal Auditors. (IIIA) In 2001 and amended in 2003, which added a new imprint to the auditing profession, namely, to promote and improve the disease in a valuable guest company from a performing agent) Substantive Confirmation and Consulting Services (after which the Covenant was decided to be fulfilled) The Global Domestic Body of Knowledge: (CBOK) Global Internal Shared Checking Knowledge to measure and evaluate the value of internal scrutiny to determine the added value that internal scrutiny can add to a company. Given that Iraq relies on the seven audit manuals and relies on international auditing standards, is the internal audit body aware of the professional developments of the internal audit profession and its commitment to the requirements for determining the fulfilment of the Compact that can bring added value to public companies.

### **Objectives of the study:**

1. Introduction of internal auditing bodies in public companies to developments in the internal auditing profession and to the requirements of the Covenant Compliance Report (CBOK).
2. Determination of the extent to which the internal auditing bodies in public companies adhere to the requirements of the Covenant Compliance Report.
3. Identification of the potential of the Internal Auditing Section to add value to the company.

1. There is no statistical impact that is active. There is no statistical effect that is confirmed by the Internal Audit Section of the company on the verification disease that is a requirement for the fulfilment of Covenant
2. There is no statistical effect that is active.
3. There is no statistical effect of active acumen activities on the verification disease that is a requirement of the Covenant.
4. The company's internal audit section investigates the company's value-added sample for failure to comply with the requirements of the Covenant report.

**Sample study:**

Views obtained from a sample of internal auditors in Iraqi public companies)South Oil Corporation (SOC), First Sample (and the State Company for Nudist Ports) Sample II (on the potential of the Internal Audit Section to achieve the value added of its company in order to comply with developments in the standards of scrutiny and the requirements of the Covenant, if an opinion is obtained)60) an internal checker divided equally by the two samples and the building was divided by four attempts) See Attachment (Axis). The second focus is to examine the extent to which internal auditors are committed to providing confirmation services to the company, which is a component).15) is a question and the third is concerned with examining the extent to which internal auditors are committed to providing substantive advice services to the company, which is composed of) 9) questions, and the fourth axis is concerned with examining the extent to which internal auditors are committed to providing insightful and insightful consulting services to the company to order an order consisting of 8).

The study was based on the use of two methods: the stylistic method of research and the theoretical background of the subject of the study, derived from Arabic and English sources and research, and also from the use of the stylistic method of using the stylistic list of hypotheses.

**Previous studies:**

No.	Name of researchers	Name of research	Year	Research objectives
1.	Mihret 1 ,Dessalegn Getie & Woldeyohannis, Getachew Zemenu	Value-added role of internal audit:an Ethiopian case study.	2008	The aim of the research is to draw conclusions - from the findings of a case study) for profit (conducted by a public or social

				<p>sector firm - on how value-added internal audit management features differ from one organization to another. The research found that objectives, strategies and the level of risk faced by organizations providing their internal audit services are features of internal audit management that add value.</p> <p>The study also shows that the quality of internal audit strategy planning and marketing can influence the extent to which an appropriate picture of value added is achieved in a given context.</p>
2.	POPESCU, Marin & VASILE, Emilia	INTERNAL AUDITING VALUE ADDED CONCEPT	2011	<p>Research has shown that the risks of operational processes ideally demonstrate failures, and in</p>

				order to avoid them and bring added value from scrutiny, managers must take into account the opinion of internal auditors.
3.	Read ,Bou 3 Gislli	Internal auditor and value approach : The new business Regime	2000	The search objective shows that internal auditors change their approach to changes and market requirements in order to provide value-added service to the company's employees.
4.	Shahimi,Suhaily, 4 Dato,Nurmazilah Mahzan, Zulkifli Norhayah.	Value Added Services of Internal Auditors: An Exploratory Study on Consulting Role in Malaysian Environment	2017	Research has shown that there is added value that companies can gain from internal auditors in their consulting role. An explanatory study provides an overview of consulting activities in the context of ever-changing business. Taking into account the wealth of business information obtained by

				internal auditors to add value and improve the competitiveness of the Organization, a good strategy would be.
5.	Goodwin ,Joy N., Davis, Andrea& Telg, Ricky W.	Communication Audits: Adding Value and Social Impact to Agricultural Communications	2014	The research aims to clarify the role of the agribusiness audit in agricultural companies and to determine the quality of good and not good business and the value that advocacy scrutiny can add to agricultural companies in the use of communication materials by the public and thus reflect on the company's business reputation and social impact.

**Current study site from previous studies:**

There are not many foreign studies that deal with the value added of the internal scrutiny of the company involved. The subject was not dealt with independently by Dr. Arsat, as the value added was implicitly addressed in analytical research, especially research on quality of scrutiny and disease. The current study was concerned with clarifying the value added of the company in the light of the CBOK report and its requirement for service delivery. Emphasis - and objective advice - and advisory acumen (by the internal investigator to perform the service with

high technology, thereby achieving the intended objectives of the verification process in the light of the final amendments to the international auditing standards and thus adding value to the company concerned.

### **Internal scrutiny:**

In a general sense, scrutiny means examination and verification. The substance of the examination is a professional examination of the lists in order to be able to express an opinion on the extent to which the financial position and the outcome of the activity are represented by the financial statements (substance, 1999). The French Expert Accountant and Chartered Accountant Classification defines auditing as "an examination by a qualified and independent professional who takes an opinion on the regularity and credibility of the budget and the results account schedule of an institution." The American Accounting Society went further and defined scrutiny as "Systematic and systematic collection and evaluation of evidence and evidence relating to activity and economic events results, on an objective basis, to determine the compatibility and conformity of these findings with established standards and to communicate this to the parties concerned. (2014, al et Arens) The Institute of Internal Auditors, (Internal scrutiny as an independent and objective activity aimed at adding value to the Organization and improving its operations)Friday, 2011) noted that internal scrutiny helps the company to achieve its objectives by developing a systematic, disciplined and objective approach to evaluating and improving the effectiveness of risk management, control and control (1999, IIA). As a result of the technological changes and complications in the life of the company, the nature of the services required of the internal investigator has shifted from the emphasis on traditional scrutiny, which relies on the autonomy of the internal investigator within the company, to the fact that the internal investigator as a partner shares the value of the organization's guest management. (2006, al et Cooper) This was referred to by the modern definition of internal scrutiny as a consulting function, in addition to extending its activity to all types of management oversight. Hence, the internal audit function is limited only to administrative oversight, but also to accounting oversight and internal control, which is more a consulting function than an executive) Gerboa, 2006. . ) After 2000, the concept expanded and evolved as internal scrutiny became consultative to achieve the company's objectives, taking into account issues related to risk management as well as value addition to the company's operations. The modern role of the internal audit function is to evaluate and improve corporate risk management. Count the COSO framework, IT audit according to the COBIT framework and IT governance, and as a result of the definition of the Institute of Internal Auditors)Modern IIA) It is necessary for those interested in the internal auditing profession around the world to re-engineer and build up an up-to-date screening function and focus on support operations and business to help companies achieve their goals (Jacob, 2018). We can note that the modern concept of internal auditing focuses on the fact that the internal auditing profession is the provision of advisory services, as well as confirmation services for the Department from Khalil, and the active involvement of the Internal Audit Department with management in the completion of tasks within the company in order to add value to the company and increase the quality of the company's work.

### **What is the added value of internal scrutiny?**

The concept of value added in auditing varies from one audit management to another, but all agree with the general notion that value added describes the verification work that improves the internal scrutiny business, adds value to the company, adds quality to it as a whole and increases its competitive value in the market (2002, Roth).

It has been pointed out (2012, AIA) that the value added in auditing is achieved when it provides objective and financial guarantees that contribute to more effective and efficient governance, risk management and control processes, thereby adding value to the internal audit activity of the company and thus value to the company as a whole. So the value added in auditing is adding efficiency and effectiveness to the work. Azzone & Arens (2009) indicated that the factors affecting the effectiveness of the internal audit activity are:

#### **1. The qualities or characteristics of Audit Team**

#### **2. Operations or Activity of Audit Section**

3. Pending between Audit Section and Senior Management of the company. Measuring the Value of Internal Scrutiny (which focuses on measuring the added value of the Internal Audit Section of the company expressed from the counter to the benefit of the Audit Section of the company and values the expected value of the Internal Audit activity. This expectation is influenced by the factors:

1. Ensure proper access to Audit Committee
2. Conduct scrutiny without any restrictions.
3. Analytical and technological tools used in the auditing profession.

Vasile & Popescu (2011) indicate that the added value of internal scrutiny is the ability of internal scrutiny to improve the internal control system of the company and that the internal checker is the creator of the value added of the owner's savings from the opportunities offered to him and the losses he has managed to avoid due to scrutiny procedures while ensuring transparency in the company's activities, making the company's activities more efficient and effective. Most times rely on the information provided to them by internal auditors. This information requires the internal audit system of the company to take professional care to provide as much service as possible, and to assist them in making appropriate decisions. The more sophisticated the verification work is, the more valuable, quality and quality the company (2006, al et Hass) (i.e., here the role of the investigator changes from that of the detection and auditing role to that of providing advice and sharing with the risk management. The more strict and robust the policy in the company, the more internal scrutiny is added even though the traditional concept of internal scrutiny has value to the company (2002, Roth). This closure in the interpretation of the checking service and how value added can be achieved can be explained by contextual factors prevailing in the environments, and as both approaches in the interpretation of the checking service) Disclosure and Confirmation Service or Substantive and



Advisory Confirmation Service (adds value to the Organization) (2008, Woldeyohannis & Mihret (2010 Standard Planning) explained that value-added auditing is an essential part of the risk-based audit plan, taking into account the possibility of improving risk management at work and improving company operations. As a result of the professional development in the professional role of the Internal Investigator, the Institute of Internal Auditors (IIA) has issued the modified standards, adding and improving the value of the company in order to emphasize risk management in order to protect the shareholder's value from activities confirmation regarding the risk control structure of the company and strengthening the shareholder value of Khalil recommendations, improvements and consulting processes) Jacob, 2018.

### **Measuring the Value and Performance of Internal Scrutiny, Delivering On the Promise:**

The Global Internal Audit Common Body of Knowledge has done the largest survey in the world on the internal auditing profession, which provides an overview of the activities and characteristics of internal auditors worldwide. This study drew on two previous global studies on internal auditing functions in 2006 and 2010. Fulfilling the Covenant to Measure the Value and Performance of Internal Scrutiny CBOK (switching-on-the-promise) are elements with a third (CBOK). Emphasis on all governance, risk management and oversight in Company 2. Objectivity provides value to the senior management in an objective, independent form from Khalil Al-Rashad and Advice 3. Consultant. Internal investigator is a catalyst for the effectiveness and efficiency of the firm from Khalil, based on the evaluation and analysis of both data and operations, that the Institute of Auditors has conducted a survey for the slightest internal scrutiny in general. 2015) on the verification activity that adds value to the scrutiny and then to the company as a whole. Managers identified nine out of 14 audit activities that they considered to be the most additional to the value of the company and these activities are:

#### 1. Confirmation activities include:

- A. To provide an assurance of the efficiency and effectiveness of the internal control system.
- B.

Provide assurance about risk management in Company.

- C. To provide confirmation regarding compliance with the rules and regulations.

E. Corporate Governance Assurance.

#### 2. Reporting and advising management.

- A. Check for fraud or panic. B. Report and advise Audit Committee

#### 3. Visionary activities including:

- A. Recommending the development of affairs. B. The identification of emerging risks. The whole report, was that the determination of the value added of internal scrutiny differed from stakeholders' perspectives. The report also emphasized that there was a consensus between

views so that the performance of internal scrutiny of the company could be measured by following the next steps:

1. Identify and list stakeholder goals
2. Identify and present to stakeholders for confirmation
3. Develop disease indicators in line with targets
4. Periodic follow-up to disease indicators and any possible glitches
5. Report by stakeholders on the achievement of those indicators.

**Statistical analysis:**

In order to test the hypotheses of the study, the list of statistics designed from (39) the Lickert five-scale question was used. As for the truth and stability of the Constitution, the Fachronbach coefficient was calculated for the Stupan axes, and the results for the four axes were the same.84.0, 83.0, 88.0, 94.0), all close to) 1) that is, they are very high values and this is a sign of the reliability of the instrument's responses. Statistics (assessed by subjects that indicate the persistence of tools and evidence over the course of internal contact between questions with each other. The answers of the study sample in the SPSS program were analysed to calculate the arithmetic medium and to see the direction of the F-RD sample. If the arithmetic medium is larger than the hypothetical medium, which is here (3), then the arithmetic medium is positive and consistent with the hypothesis. The standard ARF has also been calculated to determine the dispersion of the ARF sample in the answer to the question for the hypothesis test, which must be less than (1), correct at statistical level of 5%.

The results of the descriptive census of the first study sample variables: The results contained in the following tables show the arithmetic averages, and the standard deviations, of all the paragraphs of the study variables, from the answers of the study sample to the questions assigned in the statistics, which were as follows: Table 1:) Arithmetic averages and standard deviations of paragraphs on study variables for the first sample

Variable	Arithmetic mean	Standard deviation
Audit performance	3.749	0.75
Affirmation activity	3.504	0.88
Objective advising activity	3.815	0.78
Acronym presentation Activity	3.32	0.73

From the table, it was noted that there was consistency in the opinion of the members of the first sample of the company under examination regarding the answers to the questions of the four strategic axes. Verification, assurance activity, substantive advice, and in-company acumen (Bringing value to the company, the arithmetic averages for all variables were more

than)3), which is the hypothetical middle of Dr. Walkh Arf's standard, was less than.1) This indicates that there is no dispersion of sample answers within the Dhalla level 0.05.

**The first main hypothesis test states:**

There is no evidence of active statistical evidence provided by the company's Internal Audit Department (IAD) on what is a requirement for the fulfilment of the Covenant. To test this hypothesis, we use regression multiple and to know this affect we use )  $yi = \alpha + \beta1x1 + \beta2x2 + \beta3x3$  where:

$yi$ = represents the verification performance, and it is non-dependent.

$\alpha$  = represents the constant in the equation.

$\beta1x1$ = represents the confirmation activity, and it is the first variable.

$\beta2x2$ = is the objective advice activity, and it is the second independent variable.

$\beta3x3$ = the filament activity (visionary), it is the third independent variable.

The results as Table (2).

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.826 <sup>a</sup>	.682	.654	.01099	2.124

a. Predictors: (Constant), x1

b. Dependent Variable: y

**ANOVA<sup>b</sup>**

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	.020	7	.003	23.639	.000 <sup>a</sup>
Residual	.009	77	.000		
Total	18.697	84			

a. Predictors: (Constant), x1

b. Dependent Variable: y

Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.577	.019		29.757	.000		
	x2	.683	.021	.021	.271	.024	.674	1.483

a. Dependent Variable: y

The set of tables No. 2) shows the effect of the assurance given by the company's internal audit department on the first sample of the screening disease, with the correlation coefficient (R) being 82. % at the semantic level) 05.0 (the identification factor (R2 (is)% 68) and an adjusted R2 (is equal to 65%) i.e. there is an explanatory force for the independent variable to influence the disease with the equivalent of 65% due to the variable submission of confirmation activities by the Internal Audit Section, as indicated by Watson-Durbin statistics according to the results of the statistical analysis in the table(1, 124.2, higher than optimal)2) that is, there is no autocorrelation in the dependent variable, as shown to be) F) The statistic indicates that the model is correctly defined to reflect the effect of the independent variable on the dependent variable, and the value of the B-grade effect has also been reached. The Al Hadar coefficient is 683, and the t factor was valued.271.0 at 024.0, which is lower than 05.0, which means rejecting the hypothesis and accepting the alternative hypothesis: There is an active statistical evidence of emphasis provided by the internal audit section of the company on what is a requirement for the determination of the fulfilment of the Covenant. The second key hypothesis is: There is no statistically active effect of objective advice on the verification that is a requirement for determining the fulfilment of the Covenant. The results of the statistical analysis were the first study sample on the subject-based advice activity by the Internal Audit Section as a set of table number 3.

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.529 <sup>a</sup>	.279	.254	.69369	2.554

a. Predictors: (Constant), x2

b. Dependent Variable: y

ANOVA <sup>b</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	5.223	1	5.223	10.855	.000 <sup>a</sup>
	Residual	13.474	28	.481		
	Total	18.697	29			

a. Predictors: (Constant), x2

b. Dependent Variable: y

Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.995	.842		1.181	.248		
	x2	.759	.230	.529	3.295	.003	1.000	1.000

a. Dependent Variable: y

Table 3 shows the impact of the provision of objective advice by the company's internal audit department on the first study sample of the disease, with the link coefficient (R) 52. % at the dialectic level (05.0)27%) and an adjusted R2 equals 25%, i.e., there is a small weakness in the explanatory power of the second independent variable to influence the screening disease by the equivalent of 25% resulting from the variable provision of objective advice activities by the Internal Audit Section, as indicated by Watson-Durbin statistics according to the results of the statistical analysis in the set of tables)3) whose value was (554.2) higher than the optimal value (2) i.e. there is no chain correlation (autocorrelation) in the dependent variable, also, it turns out that the "F" of the pathogen has said that the effect of the model with the second independent variable is less than that of the independent variable with the second independent variable. In other words, the first internal audit pastor of the sample company works to provide objective advice services, but not as much as in ations, and the value of the effect has also reached B.The AI Hadar coefficient is 759, and the t factor was valued.295.3 at 03.0, which is lower than 05.0, which means rejecting the nil hypothesis and accepting the alternative hypothesis, There is a statistically active effect of objective advice on the investigative disease, which is a requirement for the determination of the fulfilment of the Covenant - the third key hypothesis: There is no statistical trace of acrimonious activity (IPA) or visionary activity (IPA), which is a requirement of the Covenant Compliance Report. The results of the statistical analysis were the first study sample on the activity of providing objective advice by the Internal Audit Section, as in a set of table No. 4).

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.477 <sup>a</sup>	.065	.031	.79026	1.787

a. Predictors: (Constant), x3

b. Dependent Variable: y

**ANOVA<sup>b</sup>**

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	1.211	1	1.211	1.939	.175 <sup>a</sup>
Residual	17.486	28	.625		
Total	18.697	29			

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.477 <sup>a</sup>	.065	.031	.79026	1.787

a. Predictors: (Constant), x3

b. Dependent Variable: y

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	3.098	.482		6.431	.000		
x3	.185	.133	.255	1.393	.175	1.000	1.000

Table No. 4 shows the impact of the introduction of acrimonious activity by the company's Internal Audit Department on the first study sample of the disease, when the correlation coefficient was reached).R) 47.% at the dialectic level) 05.0 (either the determinant (R2) (It is 5.6% and the modified R2 is 3)That is, there is a strong weakness in the explanatory power of the second independent variable to influence the screening disease equivalent to 3% due to the variable of presentation of acumen activities by the Internal Audit Section, as indicated by the Watson-Durbin statistic according to the results of the statistical analysis in the set of tables)4) whose value was 787.1, which is less than the optimal value (2), There is an autocorrelation in the dependent variable, as shown to be)F) The analyst has said a lot about the first variable and the second suggests that the effect of the model with the third independent variable is very low compared to the first independent variable and the second, in other words, that the first internal audit section of the sample company is engaged in interfering with the company's activities when it observes a glitch or modification in some aspect of the company, i.e., not providing activities that need to be subtle and subtle in some sense.(Al Hadar factor is 185).393.1 at 175.0, which is higher than 05.0, which means accepting the nil hypothesis: There is no statistically indicative effect of acumen (visionary activity) on the verification disease that is a requirement of the Covenant. Strictly speaking, from the statistical analysis of the first sample of the study, the Internal Audit Section of the company is working on the requirements of the Covenant Compliance Report. (CBOK (Assurances and Substantive Advice but neglects to provide intelligent services)Visionary (so it can be produced that the Internal Audit Section is committed to its professional verification performance and provides professional advice to the senior management to order the passage, although not 100%, and thus adds value to the company in which it works.) The company's internal machine-flour section investigates the company's value-added sample for failure to comply with the requirements of the Covenant.

The results of the descriptive census of the second study sample variables: the results in the following tables show the arithmetic averages; and the standard deflections for all paragraphs of the study variables, from the study sample answers to the questions assigned in the statistics, which were as follows: Table 5. Arithmetic averages and standard deviations of paragraphs on the study variable for the second sample.

Variable	Arithmetic mean	Standard deviation
Audit performance	3.666	0.02

Affirmation activity	3.433	0.13
Objective advising activity	3.700	0.21
Acronym presentation Activity	3.766	0.96

From the table above, we note that there is a consistency in the opinion of the members of the second sample of the company in question with respect to the answers to the questions of the four axes, which brings added value to the company. The arithmetic averages of all variables are greater than 3), which is the hypothetical middle of Dr. Walkh Arf's standard, was less than 1.1) This shows that there is no dispersion of sample answers within a level with statistical evidence (0.05). The first main hypothesis test for the second sample states: )) There is no active statistical evidence of emphasis provided by the internal audit section of the company on the verification that is a requirement for the fulfilment of the Covenant (the results are as in the set of table (6):

#### Model Summary<sup>b</sup>

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.712 <sup>a</sup>	.561	.315	.74468	2.829

a. Predictors: (Constant), x1

b. Dependent Variable: y

#### ANOVA<sup>b</sup>

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	3.170	1	3.170	15.716	.000 <sup>a</sup>

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.712 <sup>a</sup>	.561	.315	.74468	2.829
	Residual	15.528	28	.555	
	Total	18.697	29		

a. Predictors: (Constant), x1

b. Dependent Variable: y

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2.292	.620		3.698	.001		
	x1	.399	.167	.412	2.391	.020	1.000	1.000

a. Dependent Variable: y

The set of tables No. (6) shows the impact of providing assurances by the company's internal audit department, according to the opinion of the second study sample on audit performance, as the correlation coefficient (R) was (71%) at the significance level (0.05) while the coefficient of determination (R<sup>2</sup>) was It reached (51%) and that the modified (R<sup>2</sup>) is equal to (31.5%), that is, there is an explanatory power of the independent variable to influence the audit performance equivalent to 31% resulting from the variable providing assurance activities by the internal audit department, which is less than the effect in the first sample, as indicated The Durbin-Watson statistic according to the results of the statistical analysis in Table (1) whose value was (2.829), which is higher than the optimal value (2), that is, there is no autocorrelation in the dependent variable,

It was also shown that the (F) statistic indicates that the model is set correctly to reflect the influence of the independent variable on the dependent variable, and the value of the influence degree B (the regression coefficient is (.683)) and that the (t) coefficient was (3.698) at the level of ( 0.02) which is less than the significance level (0.05), that is, there is a significant correlation between the independent variable and the dependent variable, which means rejecting the hypothesis and accepting the alternative hypothesis. by covenant



Test the second main hypothesis of the second sample, and this hypothesis states that:

There is no statistically significant effect of the objective advice activities on the audit performance, which is one of the requirements of the fulfillment of the covenant report.

The results of the statistical analysis of the answers of the second study sample about the activity of providing objective advice by the Internal Audit Department were as follows:

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.509 <sup>a</sup>	.259	.214	.69369	2.054

a. Predictors: (Constant), x2

b. Dependent Variable: y

**ANOVA<sup>b</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	5.223	1	5.223	10.855	.003 <sup>a</sup>
	Residual	13.474	28	.481		
	Total	18.697	29			

a. Predictors: (Constant), x2

b. Dependent Variable: y

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.995	.842		1.181	.248		
	x2	.679	.230	.529	2.225	.003	1.000	1.000

a. Dependent Variable: y

There is a statistically active effect of objective advice on the verification disease which is a requirement of the Covenant Compliance Report Test Hypothesis III Second Sample: There is no statistical trace of acrimonious activity (IPA) or visionary activity (IPA) that is a requirement of the Covenant Compliance Report. The results of the statistical analysis were a

second study on the activity of providing objective advice by the Internal Audit Section as in the set of tables No. 8).

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.347 <sup>a</sup>	.053	.011	.90277	1.270

a. Predictors: (Constant), x3

b. Dependent Variable: y

**ANOVA<sup>b</sup>**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1.711	1	1.251	1.739	.157 <sup>a</sup>
	Residual	11.486	28	.625		
	Total	23.197	29			

a. Predictors: (Constant), x3

b. Dependent Variable: y

**Coefficients<sup>a</sup>**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	3.098	.282		6.431	.000		
	x3	.198	.123	.225	1.923	.135	1.000	1.000

a. Dependent Variable: y

Table No. 8 shows the impact of the introduction of acumen by the company's internal audit department on the first study sample of the disease, if the correlation factor is reached)R) 34.% at the dialectic level) 05.0 (either the determinant (R<sup>2</sup>) Adjusted R<sup>2</sup> equals 1.1)That is, there is a strong weakness in the explanatory power of the second independent variable for the impact on the screening disease equivalent to 1% resulting from the variable of presentation of acrimonious activity by the Internal Audit Section, and Watson-Durbin statistics indicated

according to the results of the statistical analysis in the set of table (8). It was worth  $.(1.270)$  which is less than the optimal value (2) i.e. there is a serial correlation (autocorrelation (in the dependent variable, as F turns out to be) the statistic is much lower than the Alol variable and the second indicates that the effect of the model with the third independent variable is very low compared to the Alol independent variable and the second in other words, the internal audit section of the second sample company is involved in the activity in the company when it is observed for any aspect of the company. The Al Hadar coefficient is 198 and the t factor was  $(1.923)$  at  $(135)$ .

It is above the semantic level (0.05), i.e., there is no moral correlation between the third independent variable and the dependent variable in the second study sample, which means acceptance of the infinitesimal hypothesis, which is not a statistically indicative effect of acumen) or visionary activity (on the verification disease that is a requirement of the Covenant's fulfilment report.

Finally, we can say that from the statistical analysis of the second study sample, it turns out that the internal audit section of the company works in part with the requirements of the Covenant's compliance report. (CBOK (which is little less assurance and substantive advice than the first company but neglects to provide intelligent services) Visionary (so it can be produced that the Internal Audit Section is committed to its professional verification in terms of assurance and offers professional advice to the senior management to order the traffic, but with little, and thus adds value to the company in which it works, but with little, and so the fourth nil hypothesis is rejected and the alternative hypothesis is accepted.) The company's internal audit section shall verify the study sample's value added for failure to comply with the requirements of the Covenant. "

## **Results and Recommendations:**

### **Results:**

1. There is knowledge from the study sample. SOC (second sample) Public Port Company (In the sense of components of the Covenant Compliance Report) It consists of confirmation services, objective advice services, visionary activity services
2. The Internal Audit Section of CAL is professional, achieving even relative added value to CAL
3. Cal's internal audit department is professional, bringing added value even relatively to the company.
4. From the results of the statistical analysis of the first sample, the Internal Audit Section of CAL 3 has the following capabilities:
  - a. The internal audit section of the company works well to provide assurance services. The results of the study show that the rate correlation factor (R2) was 65% in the Waston Durbin

statistic, which is 14.2% higher than the optimal value (2), and that the factor (T) was 27.0% at 0.024, which is lower than the average level 0.05.

b. The Internal Audit Section of the company provides substantive advice to the senior management. The results of the study show that the rate correlation factor (R2) was 27% in the Waston Durbin statistic, which is 55.2% higher than the optimal value (2), and that the factor (T) was 29.3% at 0.03, which is lower than the index level 0.05.

c. The Internal Audit Section of Company AI is working to provide insight into the company's activities, namely, the rapid intervention of the Internal Audit Section into the critical situation in which the company is located and the provision of advice and advice to it in order to overcome such situations. The results of the study show that the rate correlation factor) R2 was 3% of the Waston Durbin statistic. 1.78) below optimal value (2) and that (T) factor Kahn 1.39 at 0.17, which is lower than (0.05).

#### **5. The statistical results of the second sample showed the following results:**

a. The internal audit section of the company works to provide good assurance services. The results of the study show that the rate correlation factor (R2) was 31% in the Waston Durbin statistic, which is 82.2% higher than the optimal value (2), and that the factor (T) was 69.3% at 0.02, which is lower than the index level 0.05.

b. The internal audit section of the company works well to provide objective advice. The results of the study show that the rate correlation factor (R2) was 21% in the Waston Durbin statistic, which is 05.2% higher than the optimal value (2), and that the factor (T) was 22.2% at (0.02), which is lower than the index level (0.05).

c. The internal audit section of the company provides visionary activity by showing that the results of the study show that the rate correlation factor (R2) was 1% of the statistic (Waston Durbin) is 1.27% higher than the optimal value (2) and that the factor (T) was 1.92% at 0.13%, higher than the statistical index level (0.05%).

6. Iraqi companies have professional audit staff and provide assurance and consulting services on risk management and oversight in the company, providing value to the senior management in an objective and independent manner from Khalil Al-Rashad.

7. Despite the professional competence of the study sample in the two companies, this means that the checking cadre in the two companies needs to be developed and trained more. Now the checking profession is constantly changing as a result of the dynamic environment in which it operates and to keep up with these changes, there is always a Do Art training cadre.

#### **Recommendations:**

From the above conclusions, it may be recommended that:

1. In order to achieve added value for the company, a scientific and practical qualified investigative cadre must be relied upon to carry out the verification tasks to the fullest.

2. Submit the investigative cadres of companies, especially large companies, to the training courses to examine developments in the profession or Powell
3. The need to participate in conferences and symposiums organized by global verification bodies, such as) AII) on professional developments in Audit
4. Visionary (as it is important to help provide professional solutions to management at the time of commitment
5. In order for companies to maintain the value added of their internal scrutiny to their professional competence, the senior management of the company must develop indicators to assess the malaise of their internal audit department, follow up periodically on the evaluation process in order to see what malfunction might occur and try to address it first.

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Totally Disagree	Disagree	Neutral	Agree	Totally Agree	Questions	No.
					Questions about evaluating the performance of the internal audit in the company	
					The performance of the internal audit is continuously evaluated in the company	1
					The efficiency and effectiveness of the company's internal control system is evaluated	2
					Rapid response by the internal audit team to developments during work	3
					The internal audit team investigates suspicious activities within the company	4
					The internal audit team works in a coordinated and continuous manner with the external auditor	5
					The Director of Internal Audit supports the management of the company with ideas and opinions in a way that achieves integration between the company's goals and audit goals	6
					Work on the self-development of the internal audit team on an ongoing basis by participating in	7

					training and development courses for individual skills	
					Assurance questions (governance, risk, control)	
					The company's internal auditor evaluates the company's governance processes	8
					The internal auditor makes appropriate commitments to improve the company's governance methods	9
					The internal auditor assesses whether the company's IT governance supports and supports the strategies of the company's goals	10
					The internal auditor evaluates the effectiveness of risk management and contributes to its improvement	11
					The internal auditor evaluates the company's goals and how they relate to implementation	12
					The internal auditor assesses the appropriate response to risks	13
						14

					The internal auditor evaluates the handling and reporting of risk information	
					The internal auditor assesses risks related to corporate governance	15
					The internal auditor assesses risks related to the company's operations	16
					The internal auditor assesses risks related to the company's information systems	17
					The internal auditor identifies the risks of fraud in the company	18
					The internal auditor shall not be associated with any administrative responsibility when managing risks	19
					The auditor evaluates controls in dealing with risks, governance and operational processes efficiently and effectively	20
					The internal auditor evaluates the compliance with the laws,	21



					regulations and contracts in the company	
					The internal auditor assesses compliance with the laws and regulations imposed from outside the company	22
					Objective advice questions	
					The internal auditor is effectively independent of any part of the company	23
					The internal auditor has a fair and unbiased mental behavior	24
					The internal auditor provides advice on how to design business in the company	25
					The internal auditor analyzes the results of the company's business and provides assurances on them	26
					The internal auditor provides assurances to the company regarding risk management	27
					The internal auditor provides assurances to the company regarding the performance of the	28

					company's internal control system	
					The internal auditor provides assurance that organizational processes are effectively and efficiently controlled	29
					The internal auditor provides objective advice and advice to management	30
					The internal auditor assists management in organizing and controlling solutions to organizational problems	31
					Insightful activities	
					The internal auditor advises on some errors in the administrative organization	32
					The internal auditor advises on the need for continuous professional development in the company	33
					The internal auditor alerts the management of breaches of the company's system or laws, even if they are not part of the audit activity	34

					The internal auditor provides advice and consultation to management when planning and drawing up the company's operational policies	35
					Develop a strategic plan to implement the audit mission to achieve value for the company	36
					The internal auditor notifies the management of any abuses or damages that may affect the environment as a result of the company's policy	37
					The internal auditor does not hesitate to inquire about information from any informed party, whether inside or outside the company	38
					The Internal Audit Department is working on developing a program to assure and improve quality at work	39