

**THE DETERMINANTS OF INFORMATION TECHNOLOGY  
AUDIT IN IRAQ LISTED COMPANIES**

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**UNIVERSITY UTARA MALAYSIA**

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AUDIT IN IRAQ LISTED COMPANIES**



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## **Abstract**

Audit professionals today are becoming wiser in term of detecting audit errors and frauds. Auditor plays an important role in helping organization for their concerns about risks, frauds and errors. This is the reason the companies in Iraq are trying to have proper control and IT audit mechanism. But, in fact the trial balance and financial reporting are still compiled manually among the Iraqi companies. Audit matters in Iraqi companies are lacking in term of utilizing information technology (IT) resources effectively and efficiently. Auditor need to improve their ability in IT audit by using internal auditor, having quality of information and real-time issues. There are also inadequate audit internal control which leads to errors and frauds. This study determines the extent of IT audit in listed companies in Iraq. It investigate the relationship between internal auditor, quality of information and real-time on IT audit. Primary data collection technique was used. The sampling was done on 110 listed companies in Iraq but only 73 listed companies were used. The respondents were asked to respond to the questionnaire based on their internal auditor, quality of information and real time. The findings suggest that there is a positive relationship between internal auditor and quality of information on IT audit. However, there is a negative significant relationship between real-time and IT audit. This shows that Iraqi companies can improve their abilities of internal auditors and accordingly the quality of information through IT base audit.

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## **LIST OF ABBREVIATION**

<b>Abb.</b>	<b>Full lists</b>
IT	Information technology
SOX	Sarbanes-Oxley Act
PCAOB	Public Company Accounting Oversight Board
AS	Auditing Standard
ASB	Auditing Standards Board
SAS	Statement on Auditing Standards
AT & T	American Telephone and Telegraph
LLP	Limited liability partnership
CAATs	Computer-assisted audit techniques
ITA	IT Audit
IA	Internal Auditors
QF	Quality of Information
RI	Real-Time

# **CHAPTER ONE**

## **INTRODUCTION**

### **1.0 Introduction**

Information should help an organization achieve its objectives and contribute to an effective exchange of information using the minimum resources necessary to achieve the goals. Information technology (IT) is one such resource. With information technology and knowing its different characteristics, auditors can make decision-making and the environment of the organization better for an effective audit and its evaluation. The use of computer technology has resulted in radically changing the processing, recording and control of information besides uniting the many separate functions, In today's environment (Senft and Sandra, 2009), organizations must integrate their IT with business strategies to attain their overall enterprise objectives, get the most value out of their information, and thus capitalize on the technologies available to them. This increase in the accuracy and the speed of transaction processing can lead to competitive advantages for many organizations in terms of operational efficiency, saving costs and reducing human errors. On the other hand, the use of IT comes together with many types of IT risks, including the loss of computer assets, erroneous record keepings, increased risks of fraud, loss or thefts of data, privacy violations and business disruptions (Champlain, 2003).

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