

**THE DETERMINANTS OF AUDIT REPORT LAG:THE
MEDIATING EFFECT OF AUDITOR'S RELIANCE IN
JORDAN**

GHASSAN SAEED SALEM BAGULAIDAH

**DOCTOR OF PHILOSOPHY
UNIVERSITI UTARA MALAYSIA
August 2012**

**THE DETERMINANTS OF AUDIT REPORT LAG:THE MEDIATING EFFECT OF
AUDITOR'S RELIANCE IN JORDAN**

By

GHASSAN SAEED SALEM BAGULAIDAH

**Thesis Submitted to
Othman Yeop Abdullah Graduate School of Business,
Universiti Utara Malaysia,
in Fulfillment of the Requirement for the Degree of Doctor of Philosophy**

PERMISSION TO USE

In presenting this thesis in fulfillment of the requirements for a Post Graduate degree from the Universiti Utara Malaysia (UUM), I agree that the Library of this University may make freely available for inspection. I further agree that permission for copying this thesis in any manner, in whole or in part, for scholarly purposes may be granted by my supervisors, Prof. Dr. Noor Azizi Ismail and Assoc. Prof. Dr. Faudziah Hanim bint Fadzil, or in their absence, by the Dean of Othman Yeop Abdullah Graduate School of Business where I did my thesis. It is understood that any copying or publication or use of this parts of it for financial gain shall not be allowed without my return permission. It also understood that due recognition shall be given to me and to the UUM in any scholarly use which may be made of any material in my thesis.

Request for permission to copy or to make other use of materials in this thesis in whole or in part, should be addressed to:

Dean of Othman Yeop Abdullah Graduate School of Business

Universiti Utara Malaysia

06010 UUM Sintok

Kedah Darul Aman

ABSTRACT

The association between corporate governance mechanisms and the reliance decision, and the impact of such decision on the timeliness of financial reporting is the subject of increasing public and regulatory interest. This study focuses, first, on examining the relationships between the effectiveness of board and audit committee and external auditor's reliance on the internal audit work. Second, it examines the impact of the reliance decision on the audit report lag. The data are obtained using secondary-data and survey-questionnaire methods. The sample size comprises 87 companies listed in Amman Stock Exchange (ASE) for the year 2009. The internal and external auditors of these companies are surveyed with a 34% response rate. Multiple regression results reveal a significant and positive relationship between the effectiveness of the audit committee and reliance decision. In addition, audit committee meetings with external auditor and audit committee's review of internal audit function results have also a significant and positive association with reliance decision. Findings of this study also support the positive relationship between the overall quality of internal audit function and reliance decision. Regarding the impact of reliance decision on audit report lag, a significant but negative relationship between external auditor's reliance on the work of internal audit function and audit report lag is documented. This study supports the belief that the Jordanian external auditors are aware of the importance of relying on the internal audit work and evaluating the quality of this work before making the reliance decision as required by ISA 610. However, companies in Jordan still need to improve their internal audit function and support it with the necessary resources. Further, regulators in Jordan should mandate the companies to have an effective internal audit function.

Keywords: Board of Directors, Audit Committee, Internal Audit Function, Reliance Decision, Audit Report Lag.

ABSTRAK

Perkaitan di antara mekanisma tadbir urus korporat dan kebergantungan juruaudit luaran terhadap fungsi audit dalaman serta implikasinya ke atas ketepatan masa laporan kewangan merupakan subjek yang menarik minat orang awam serta pengawal selia berkaitan. Kajian ini tertumpu kepada dua aspek utama. Pertama, untuk menyiasat hubungkait di antara keberkesanan lembaga pengarah dan jawatankuasa audit serta kebergantungan juruaudit luaran terhadap kerja-kerja juruaudit dalaman. Kedua, kajian ini mengenalpasti kesan tahap kebergantungan juruaudit luaran tersebut ke atas kelewatan laporan audit. Data kajian diperolehi menggunakan pendekatan data sekunder dan soal selidik. Sampel kajian terdiri daripada 87 syarikat yang tersenarai di ‘Amman Stock Exchange’ (ASE) pada tahun 2009. Kadar maklumbalas diterima adalah sebanyak 34%. Keputusan analisis regresi berganda menunjukkan hubungan yang signifikan dan positif di antara keberkesanan jawatankuasa audit dan tahap kebergantungan juruaudit luaran. Bilangan mesyuarat di antara jawatankuasa audit dalaman dan juruaudit luaran serta semakan fungsi audit oleh juruaudit dalaman juga menunjukkan hubungan yang positif terhadap tahap kebergantungan juruaudit luaran. Dapatan kajian ini juga menyokong hubungan positif di antara kualiti keseluruhan fungsi audit dalaman dan tahap kebergantungan juruaudit luaran terhadap laporan audit dalaman. Kajian turut mendapati bahawa terdapat hubungan yang signifikan tetapi negatif di antara tahap kebergantungan juruaudit luaran terhadap laporan juruaudit dalaman dan kelewatan laporan audit. Hasil kajian ini menjelaskan bahawa juruaudit luaran bagi syarikat-syarikat di Jordan menyedari kepentingan untuk mempertimbangkan laporan juruaudit dalaman serta keperluan untuk menilai kualiti laporan tersebut seperti yang digariskan oleh ISA 610. Walau bagaimanapun, syarikat di Jordan masih perlu memperbaiki fungsi audit dalaman mereka dan disokong oleh sumber yang bersesuaian. Lanjutan daripada itu, pengawal selia yang berkaitan di Jordan perlu memastikan syarikat melaksanakan fungsi audit dalaman yang berkesan.

Kata kunci: Lembaga Pengarah, Jawatankuasa Audit, Fungsi Audit Dalaman, Keputusan Untuk Kebergantungan, Kelewatan Laporan Audit.

ACKNOWLEDGEMENT

In the name of Allah, Most Gracious, Most Compassionate and Most Merciful. Peace and praise be upon his beloved our Prophet Mohammed S.A.W., who and by the will of God that strived for the salvation of mankind from the darkness of ignorance to the light of Islam.

Praise and thanks be to Allah, the most Merciful, for granting me the patience, and perseverance to successfully complete this thesis. Alhamdulillah. I am greatly indebted to so many wonderful people for their contributions and assistants in so many ways that special mention is to only natural although words can never truly reflect their actual importance in making this project a success.

First and foremost, I own it to my supervisors Prof. Dr. Noor Azizi Ismail and Assoc. Prof. Dr. Faudziah Hanim bt Fadzil, who have been very patient in guiding and supporting me from the very beginning of my first arrival here in Malaysia and throughout this thesis. I would like to express my grateful thanks and gratitude to whom always reviewed my work speedily and were very constructive and friendly in their criticism of my work. I am thankful to them for their kind guidance, encouragement, patient, and readiness and toning down my thesis.

I would like to express my sincere appreciation and thanks to my friends in Jordan, Mohammed Hoamda, Haitham Al-Koshman for their helping in the distribution of the questionnaires of the study. I also would like to extend a very special thanks to the respondents who participated in this study. Without their assistance and data provided, this study obviously could not be performed.

My appreciation also goes to members of staff of Othman Yeop Abdullah (OYA), Graduate School of Business, Universiti Utara Malaysia for their encouragement, support, and guidance during my study. I also appreciate the helping of my colleagues who always give me support and encouragement.

My heartfelt and sincere appreciation and thanks are also extended to my father, mother who I missed them so much and their unforgettable DOA'A, spirit and financial supports and encouragements. To my dearest brothers and sisters. To my lovely wife and my three lovely children Rawan, Saeed, and Bha-Aldin for all their love, care, constant assurances, and patience. To all my relatives who have constantly supported and motivated me to complete this study.

Finally, my gratitude and thanks are also extended to my sponsor, Hadramout University of Science & Technology (HUST) Yemen for the financial support they have given and all its staff members for their support and motivation.

TABLE OF CONTENTS

	Page
TITLE PAGE	i
CERTIFICATION OF THESIS	ii
PERMISSION TO USE	iv
ABSTRACT	v
ABSTRAK	vi
ACKNOWLEDGEMENT	vii
TABLE OF CONTENTS	ix
LIST OF TABLES	xv
LIST OF FIGURES	xvii
LIST OF ABBREVIATIONS	xviii
LIST OF APPENDICES	xiv

CHAPTER ONE: INTRODUCTION

1.0 Introduction	1
1.1 Background of the Research Problem	1
1.2 Research Questions	10
1.3 Research Objectives	11
1.4 Significance of the Study	12
1.5 Context of the Study	14
1.6 Definitions of Terms	17
1.8 Organization of the Thesis	19

CHAPTER TWO: LITERATURE REVIEW

2.0 Introduction	20
2.1 Audit Profession in Jordan	20
2.2 Overview of the IAF	29
2.3 Reliance on the Work of IAF	32
2.4 Underpinning Theories	35
2.4.1 Agency Theory	35

2.4.2 Source Credibility Theory	39
2.5 Previous Literature on the Determinants of Reliance Decision	41
2.5.1 Corporate Governance and Reliance Decision	41
2.5.1.1 Board of Directors and Auditor's Work	42
2.5.1.2 Audit Committee Effectiveness and Auditor's Work	51
2.5.1.3 Audit Committees' Activities	59
2.5.1.3.1 Frequency of Meeting between AC and External Auditor	59
2.5.1.3.2 Frequency of Meeting between AC and Internal Auditor	61
2.5.1.3.3 Audit Committee Reviews of IAF's Activities	63
2.5.2 The Quality of IAF	65
2.5.3 Provision of Non-Audit Services	73
2.5.4 Client Pressure	76
2.6 Audit Report Lag	78
2.7 Chapter Summary	81

CHAPTER THREE: RESEARCH FRAMEWORK AND METHODOLOGY

3.0 Introduction	83
3.1 Research Framework	83
3.1.1 Determinants of External auditor's Reliance on the IAF work (Model 1)	88
3.1.2 The Impact of the Reliance Decision on the Audit Report Lag (Model 2)	92
3.2 Hypotheses Development	94
3.2.1 Hypotheses related to the Determinants of Reliance Decision	94
3.2.1.1 Board of Directors and Audit Committee Effectiveness and Reliance Decision	95
3.2.1.1.1 Effectiveness of Board of Directors and Reliance Decision	95

3.2.1.1.2 Effectiveness of Audit Committee and Reliance Decision	96
3.2.1.2 Audit Committee's Activities and Reliance Decision	98
3.2.1.3 The Quality of IAF	101
3.2.1.4 Provision of Non-Audit Services	102
3.2.1.5 Client Pressure	103
3.2.1.5 Control Variables related to Model 1	104
3.2.1.5.1 Inherent Risk	104
3.2.5.2 Availability of IA, Coordination between external and Internal Auditors	105
3.2.2 The Impact of Reliance Decision on ARL (Model 2)	107
3.2.2.1 Control Variables Related to Model 2	109
3.2.2.1.1 Company Size (SIZE)	109
3.2.2.1.2 Auditor Type (AUDTYPE)	110
3.2.2.1.3 Extraordinary Items in Financial Reporting (EXT)	112
3.2.2.1.4 Audit Opinion (OPINION)	112
3.2.2.1.5 Sign of Income (LOSS)	113
3.2.2.1.6 Industry Classification (IND)	114
3.2.2.1.7 Debt Ratio (DEBT)	114
3.2.3 The Mediating Effect of The Reliance Decision	115
3.3 Methodology of the Study	118
3.3.1 Research Design	118
3.3.2 Sample and Data Collection	118
3.3.2.1 Sample	118
3.3.2.2 Data Collection	118
3.3.2.3 Survey Instruments	119

3.3.3 Measurement of Variables	120
3.3.3.1 Independent Variables (Model 1)	121
3.3.3.2 Dependent Variable (Model 1)	130
3.3.3.3 Independent Variables (Model 2)	131
3.3.3.4 Dependent Variable (Model 2)	131
3.4 Chapter Summary	133

CHAPTER FOUR: ANALYSIS AND FINDINGS

4.0 Introduction	134
4.1 Sample Profile	134
4.2 Appropriateness of Regressions Models	139
4.2.1 Ratio of cases to independent variables	140
4.2.2 Linearity and Homogeneity	140
4.2.3 Normality	143
4.2.4 Multicollinearity	147
4.2.5 Autocorrelation	151
4.2.6 Outliers	152
4.3 Descriptive Statistics	153
4.3.1 Descriptive Statistics for Model 1	153
4.3.2 Descriptive Statistics for Model 2	158
4.4 Multiple Regression Analysis	161
4.5 Hypotheses Testing (Model 1)	169
4.6 Hypotheses Testing (Model 2)	177
4.7 The Mediating Effect of the Reliance Decision	181

4.8 Further Analysis	186
4.8.1 AC Characteristics and Reliance Decision	186
4.8.2 IAF Characteristics and Reliance Decision	190
4.8.3 Corporate Governance and Audit Report Lag	194
4.9 Chapter Summary	202
CHAPTER FIVE: DISCUSSION AND CONCLUSION	
5.0 Introduction	203
5.1 Overview of The Study	203
5.2 Discussions of Hypotheses Related to Model 1	205
5.2.1 The Effectiveness of BOD and AC and Reliance Decision (H1, H2)	205
5.2.2 The Activities of Audit Committee (H3, H4, H5, H6)	207
5.2.3 The Quality of Internal Audit Function (H7)	209
5.2.4 Provision of Non-Audit Services and Client Pressure (H8, H9)	210
5.2.5 Control Variables (Model 1)	211
5.3 Discussions of Hypotheses Related to Model 2	212
5.3.1 The Impact of Reliance Decision on Audit Report Lag	212
5.3.2 Control Variables (Model 2)	213
5.4 Discussion of the Mediating Effect	216
5.5 Discussions of Further Analysis	217
5.5.1 Audit Committee Characteristics and Reliance Decision	217
5.5.2 Internal Audit Function Characteristics and Reliance Decision	218
5.5.3 Corporate Governance and Audit Report Lag	219

5.6 Contribution of the Study	222
5.6.1 Contribution to the Academic Field	222
5.6.2 Contribution to the Practice	224
5.7 Limitations of the Study	227
5.8 Suggestions for Future Research	228
5.9 Conclusion	230
5.10 Chapter Summary	232
REFERENCES	
APPENDICES	

LIST OF TABLES

Table	Description	Page
Table 2.1 Ranking of Factors Used by External Auditors in Evaluating IAF		72
Table 3.1 Measurements of the variables in Model (2)		132
Table 4.1a Summary of Response Rate		136
Table 4.1b Summary of Demographic Data on Respondents from Internal Auditors		138
Table 4.1c Summary of Demographic Data on Respondents from External Auditors		139
Table 4.2a Normality Test for Model (1)		144
Table 4.2b Normality Test for Model (2)		145
Table 4.2c Pearson Correlation Matrix for the Variables in Model 1		148
Table 4.2d Pearson Correlation Matrix for the Variables in Model 2		149
Table 4.2e: Testing for Multicollinearity for Model 1		150
Table 4.2f: Testing for Multicollinearity for Model 2		151
Table 4.2g: Autocorrelation Test for Model 1 and 2		152
Table 4.3a Variables Used in Reliance Decision Model (Model 1)		157
Table 4.3b Variables Used in Audit Report Lag Model (Model 2)		161
Table 4.4a Variable Description and Expected Direction for Model 1		163
Table 4.4b Variables Description and Expected Direction for Model (2)		167
Table 4.5a OLS Regression Results: Reliance Model (Model 1)		171
Table 4.5b Summary of Regression Analysis of Model 1		177
Table 4.6a OLS Regression Results: ARL Model (Model 2)		179
Table 4.6b Summary of Regression Analysis of Model 2		181

Table 4.7a OLS Regression Results: The Impact of IAF Quality on ARL	183
Table 4.7b OLS Regression Results: The impact of IAF Quality and Reliance on ARL	184
Table 4.7c Summary of the Regression Analysis of Mediating Effect	185
Table 4.8a OLS Result: Reliance Model with Separate AC Characteristics	189
Table 4.8b OLS Regression Results: Reliance Model with separate IAF characteristics	193
Table 4.8c OLS Regression Results: The impact of CG on ARL	198
Table 4.8d OLS Regression Results: The impact of separate AC on ARL	201

LIST OF FIGURES

Figure	Description	Page
Figure 3.1 Theoretical Framework		89
Figure 4.1 Normal P-P Plot of regression Stand (DV: Reliance)		141
Figure 4.2 Normal P-P Plot of regression Stand (DV: ARL)		141
Figure 4.3 Scatter plot (DV: Reliance)		142
Figure 4.4 Scatter plot (DV: ARL)		143
Figure 4.5 Histogram (DV: Reliance)		146
Figure 4.6 Histogram (DV: ARL)		146

LIST OF ABBREVIATIONS

IAF	Internal Audit Function
BOD	Board of Directors
AC	Audit Committee
OECD	Organization for Economic Cooperation and Development
ARL	Audit Report Lag
ISA	International Standard on Auditing
ASE	Amman Stock Exchange
ROSC	Report on the Observance of Standards and Codes
JSC	Jordan Securities Commission
IFRS	International Financial Reporting Standards
IR	Inherent Risk
IIA	Institute of Internal Auditors
SAS	Statement on Auditing Standards
AS	Auditing Standard
AICPA	American Institute of Certified Public Accountants
IFAC	International Federation of Accountants
POB	Public Oversight Board
SOX	Sarbanes Oxley
BRCA	Blue Ribbon Committee
PCAOB	Public Company Accounting Oversight Board
CEO	Chief Executive Officer
ACPA	Arabic Certified Public Accountant
OLS	Ordinary Least Square
VIF	Variance Inflation Factors

LIST OF APPENDICES

Appendix	Description	Page
Appendix A Questionnaire to Internal Auditors		252
Appendix B Questionnaire to External Auditors		260
Appendix C Questionnaire to Internal Auditors (Arabic Language)		268
Appendix D Questionnaire to External Auditors (Arabic Language)		275
Appendix E Summary of Audit Report Lag Studies		282

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter introduces the research agenda of this study, outlines the background of the research problem, research questions, research objectives, research significance and finally, it explains the organization of the remaining chapters.

1.1 Background of the Research Problem

The traditional view considers an audit as the yearly review of the company's accounts (Elliott, Dawson & Edwards, 2007). However, the financial audit evolved in the twentieth century as business practices become more complex (Arter, 2000). Basically, the main purpose of the audits is referred to as the trust of the users of the financial statements which lead to the improvement of the capital market's efficiency (Hellman, 2006). Moreover, the auditing profession, both internal and external, has come under increasing scrutiny since the highly publicized collapse of Enron, WorldCom's massive fraud, the failure of Anderson, and other major accounting scandals in the early 2000s (Guner, 2008).

Despite the different role of internal and external auditors, they both share the same broad purpose of serving the public by helping to ensure the highest standard of regularity and propriety for the using of resources and in promoting efficient, effective and economical administration (Morill & Morill, 2003). For instance, internal auditors are responsible for assisting management in guaranteeing an effective control system and in making sure that the company's operations are carried out efficiently, economically and effectively. On the

The contents of
the thesis is for
internal user
only

REFERENCES

Abbott, L. J., Park, Y., & Parker, S. (2000). The effect of audit committee activity and independence on corporate fraud. *Managerial Finance*, 26(11), 55-67.

Abbott, L. J., Parker, S., & Peters, G. F. (2004). Audit committee characteristics and restatements. *Auditing: A Journal of Practice & Theory*, 23(1), 69-86.

Abbott, L. J., & Parker, S. (2001). Audit committee characteristics and auditor selection: evidence from auditor switches. *Research in Accounting Regulations*, 15,151-167.

Abbott, L. L., Parker, S., Peters, G. F., & Rama, D.V. (2007). Corporate governance, audit quality, and the Sarbanes- Oxley act: evidence from internal audit outsourcing. *The Accounting Review*, 82(4), 803-835.

Abbott, L. J., Parker, S., & Peters, G. F. (2010). The association between audit committee internal oversight and internal audit activities. *Accounting Horizons*, 24(1), 1-24.

Abbott, L. J., Parker, S., & Peters, G. F. (2003). The association between audit committee characteristics and audit fees. *Auditing: journal of Practice & Theory*, 22(2), 17-32.

Abdel-Khalik, A. R., Snowball, D., & Wragge, J. H. (April 1983). The effects of certain internal audit variables on the planning of external audit programs. *The Accounting Review*, LV11(2), 215-227.

Abdulla, J. Y. A. (1996). The timeliness of Bahraini annual reports. *Advances in International Accounting*, 9, 73-88.

Abdul Rahman, R., & Mohamed Ali, F. H. (2006). Board, audit committee, culture and earning management: Malaysian evidence. *Managerial Auditing Journal*, 21(7), 783-804.

Abdullah, S. N. (Winter2006-2007). Board Composition, audit committee and timeliness of corporate financial reports in Malaysia. *Corporate Ownership & Control*, 4(2), 33-45.

Accountancy Proffesion Law 2003. Jordan. Retrieved April 25, 2009 from <http://www.lob.gov.jo/ui/laws/listall.jsp>

Adams, M. B. (1994). Agency theory and the internal audit. *Managerial Auditing Journal*, 9(8), 8-12.

Afify, H. A. E. (2009). Determinants of audit report lag: Does implementing corporate governance have any impact? Empirical evidence from Egypt. *Journal of Applied Accounting Research*, 10(1), 65-86.

Agrawal, A., & Chadha, S. (2005). Corporate governance and accounting scandals. *Journal of Law and Economics*, 48(2), 371-406.

Ahlawat, S. S., & Lowe, D. J. (2004). An examination of internal auditor objectivity: In house versus outsourcing. *Auditing*, 23(2), 147-158.

Ahmed R. A. R., & Kamarudin K. (2003), Audit Delay and the Timeliness of Corporate Reporting: Malaysian Evidence. Retrieved December, 12, 2009 from <http://www.hicbusiness.org/biz2003proceedings/khairul>

AICPA. (1997). Statement on Auditing Standards No, 78: *Consideration of Internal Control in a Financial Statement Audit*. New York, NY: AICPA.

AICPA. (1991). Statement on Auditing Standards No, 65: *The auditors' consideration of the internal audit function in an audit of financial statements*. New York, NY:AICPA.

AICPA. (1991). Statement on Auditing Standards No, 90: *Audit Committee Communications*. New York, NY:AICPA.

Al-Akra, M.,Eddie, Eian A., & Ali, M.J. (2010). The influence of the introduction of the accounting disclosure regulation on mandatory disclosure compliance: Evidence from Jordan. *The British Accounting Review*, 42(3), 170-186.

Al-Harshani, M. (2003). *The effect of inherent risk, knowledge spillover, and litigation risk on external auditors' reliance on client's internal audit functions*. Unpublished PhD Dissertation. University of Arkansas.USA.

Al-Mahamid, A. (1999). *The effect of internal contrlo systems on the firms' efficiency*. Unpublished Master Thesis.University of Jordan, Amman- Jordan.

Al-oroud, S.F., & Shakar, T.H. (2009). The quality of information technology and its impact on the efficiency of internal auditing of Jordanian industries and service companies. *Jordanian Journal of business administration*, 5 (4), 475 – 496.

Al-Sa'eed, M., & Al-Mahamid, S. (2011). Features of an effective audit committee, and its role in strengthening the financial reporting: evidence from Amman Stock Exchange. *Journal of Public Adminstration and Governance*, 1 (1), 39- 63.

Al-Thnaibat, A., & Al-Shunnaq, B. K. (2006). External auditor's assessment of the internal audit function in the light of implementation of international standard on auditing no (610): analytical study from the point of view of the external and interna auditors in Jordan. *Jordanian Journal of Business Adminstration*, 2(2), 187-212.

Al-Twaijry, A. A. M., Brierley, J. A., & Gwilliam, D. R. (2004). An examination of the relationship between internal and external audit in the Saudi Arabian corporate sector. *Managerial Auditing Journal*, 19(7), 929-944.

Antle, R., Gordon, E., Narayananamoorthy, G., & Zhou, L. (2006). The joint determination of audit fees, non-audit fees, and abnormal accruals. *Review of Quantitative Finance and Accounting*, 27(3), 235-266.

Arel, B. (2006). *Two studies on the effect of internal audit source on reliance decision*. Unpublishes PhD thesis.Arizona State University.

Arena, M., & Azzone, G. (2009). Identifying Organizational Drivers of Internal Audit Effectiveness. *International Journal of Auditing*, 13, 43-60.

Arrunada, B. (1999). The provision of non-audit services by auditors: Let the market evolve and decide. *International Review of Law and Economics*, 19(4), 513-531.

Arter,A.R. (2000). Management Auditing. Retrieved December, 14, 2009 from www.qualitydigest.com/april00/html/management.

Ashbaugh, H., LaFond, R., & Mayhew, B. W. (2003). Do nonaudit services compromise auditor independence? Further evidence. *Accounting Review*, 78(3), 611-639.

Ashton, R. H., Graul, P. R., & Newton, J. D. (1989). Audit delay and the timeliness of corporate reporting*. *Contemporary Accounting Research*, 5(2), 657-673.

Ashton, R. H., Willingham, J. J., & Elliott, R. K. (1987). An empirical analysis of audit delay. *Journal of Accounting Research*, 25(2), 275-292.

ASX Corporate Governance Council (2003), *Principles of Good Corporate Governance and Best Practice Recommendations*.

Avianti, I. (October 2009). Relationship between internal audit function, audit committee and management reporting (A literature study in corporate governance implementation). Unpublished working paper. Department of accounting, Padjajaran University.

Bamber, E. M., Bamber, L. S., & Schoderbek, M. (1993). Audit structure and other determinants of audit report lag: An empirical analysis. *Auditing: A Journal of Practice & Theory*, 12(1), 1-23.

Baron, B. R. & Kenny, D. A. 1986. The moderator- mediator variable distinction in psychological research: conceptual, strategic, and statistical consideration. *Journal of Personality and Social Psychology*, 51(6), 1173- 1182.

Barua, A., Rama, D. V., & Sharma, V. (2010). Audit committee characteristics and investment in internal auditing. *Journal of Accounting and Public Policy*, 29, 503- 513.

Basioudis, I. G., Papakonstantinou, E., & Geiger, M. A. (2008). Audit fees, non-audit fees and auditor going-concern reporting decisions in the United Kingdom. *Abacus*, 44(3), 284-309.

Beasley, M., Carcello, J., Hermanson, D., & Lapidés, P. D. (2000). Fraudulent financial reporting: Consideration of industry traits and corporate governance mechanisms *Accounting Horizons*(December), 414-451.

Beasley, M. S., Carcello, J. V., Hermanson, D. R., & Neal, T. L. (2009). The audit committee oversight process. *Contemporary Accounting Research*, 26(1), 65-122.

Beasley, M. S. (1996). An empirical analysis of the relation between the board of director composition and financial statement fraud. *The Accounting Review*, 71(4), 443- 465

Beasley, M. S., & E.Salterio, S. (Winter 2001). The relationship between board characteristics and voluntary improvements in audit committee composition and experience. *Contemporary Accounting Research*, 18(4), 539-570.

Beasley, M. S., & Petroni, K. R. (2001). Board independence and audit - firm type. *Auditing: A journal of Practice and Theory*, 20(1), 97 – 114.

Beck, P. J., Frecka, T. J., & Solomon, I. (1988). A model of the market for MAS and audit services: Knowledge spillovers and auditor-auditee bonding. *Journal of Accounting Literature*, 7(1), 50-64.

Bedard, J., Chtourou, S. M., & Courteau, L. (2004). The effect od audit committee expertise, independence, and activity on aggressive earnings management. *Auditing:A Journal of Practice &Theory*, 23(2), 13-35.

Bedard, J., & Gendron, Y. (2010). Strengthening the financial reporting system: can audit committee deliver? *International Journal of Auditing*, 14, 174-210.

Bedard, J. C., & Johnstone, K. M. (2004). Earning manipulation risk, corporate governance risk, and auditors' planning and pricing decisions. *The Accounting Review*, 79(2), 277-304.

Birnbaum, M. H., & Strenger, S. E. (1979). Source credibility in social judgment: Bias, Expertise, and the judge's point of view. *Journal of Personality and Social Psychology*, 37(1), 48-74.

Blue Ribbon Committee (BRC). 1999. *Report and recommendations of the Blue Ribbon Committee on improving the effectiveness of corporate audit committees*. New York: New York Stock Exchange and National Association of Securities Dealers.

Bradbury, M., Mak, Y. T., & Tan, S. M. (2006). Board characteristics, audit committee characteristics and abnormal accruals. *Pacific Accounting Review*, 18(2), 47-68.

Branson, S. N., Carcello, J. V., & Raghunandan, K. (2006). Firm characteristics and voluntary management reports on internal control. *AUDiting:A Journal of Practice & Theory*, 25(2), 25-39.

Brown, P. R. (Autumn 1983). Independent auditor judgment in the evaluation of internal audit function *Journal of Accounting Research*, 21(2), 444-455.

Bujaki, M., & McEconomy, B. J. (2002). Corporate governance: factors influencing voluntary disclosure by public traded Canadian firms. *Canadian Accounting Perspective*, 1(2), 105-139.

Burnaby, P., Hass, S., & Abdolmohammadi, M. J. (2006). A survey of internal auditors to establish the scope of the common body of knowledge study in 2006. *managerial auditing journal*, 21(8), 854-868.

Cadbury, A. (1992). Report of the committee on the financial aspects of corporate governance. Burgess Science Press, London.

Callaghan, J., Parkash, M., & Singhal, R. (2009). Going-concern audit opinions and the provision of non-audit services: Implications for auditor independence of bankrupt firms. *Auditing: A Journal of Practice & Theory*, 28(1), 153-170.

Carcello, J., Hermanson, D.R., & Ye, Z. (2011). Corporate governance research in accounting and auditing : insights, practice implications, and future research directions. *Auditing: A journal of practice & theory*, 30(3), 1-31.

Carcello, J. V., Hermanson, D. R., & Neal, T. L. (2002). Disclosures in audit committee charters and reports. *Accounting Horizons*, 16(December), 291-304.

Carcello, J. V., Hermanson, D. R., & Raghunandan, K. (2005). Changes in internal auditing during the time of the major US accounting scandals. *International Journal of Auditing*, 9, 117-127.

Carcello, J. V., & Nagy, A. L. (2004b). Audit firm tenure and fraudulent financial reporting. *Auditing: A Journal OF Practice and Theory*, 23(2), 55-69.

Carcello, J. V., & Nagy, A. L. (2004a). Client size, auditor specialization and fraudulent financial reporting. *Managerial Auditing Journal*, 19(5), 651-668.

Carcello, J. V., & Neal, T. L. (2003). Audit committee characteristics and auditor dismissals following "New" Going-Concern Reports. *The Accounting Review*, 78(1), 95-117.

Carcello, J. V., & Neal, T. L. (2000). Audit committee composition and auditor reporting. *The Accounting Review*, 75(4), 453-467.

Carretta, A., Farina, V., & Schwizer, P. (2005). Evaluating the board of directors of financial intermediaries: competence, effectiveness and performance.

Carslaw, C., & Kaplan, S. E. (1991). An examination of audit delay: further evidence from New Zealand. *Accounting and Business Research*, 22(85), 21-32.

Chahine, S., & Tohme, N. S. (2009). Is CEO duality always negative? An exploration of ceo duality and ownership structure in the Arab IPO context. *Corporate Governance: An International Review*, 17(2), 123-141.

Chambers, A. E., & Penman, S. H. (1984). Timeliness of reporting and the stock price reaction to earnings announcements. *Journal of Accounting Research*, 22(1), 21-47.

Chaganti, R. S., Mahajan, V., & Sharma, S. (1985). Corporate board size, composition, and corporate failures in retailing industry. *Journal of Management Studies*, 22, 400- 417.

Chan, P., Ezzamel, M., & Gwilliam, D. (1993). Determinants of audit fees for quoted UK companies. *Journal of Business Finance & Accounting*, 20(6), 765-786.

Chapman, C., & Anderson, U. (2002). *Implementing the Professional Practices Framework*: (Altamonte Springs, FL: The Institute of Internal Auditors.

Che-Ahmad, A., & Abidin, S. (2009). Audit Delay of Listed Companies: A Case of Malaysia. *International Business Research*, 1(4), P32.

Chen, G., M.Firth, Gao, D. N., & Rui, O. M. (2006). Ownership structure, corporate governance, and fraud: evidence from China. *Journal of Corporate Finance*, 12, 424-448.

Chung, H., & Kallapur, S. (2004). Client importance, nonaudit service, and abnormal accruals. *The Accounting Review*, 78(4), 931-956.

Ciborra, C., & Navarra, D.D. (2005). Good governance, development theory, and aid policy: Risks and challenges of e-governmenr in Jordan. *Information Technology for Development*, 11(2), 141-159.

Coakes, S. J. (2005). *Analysis without Anguish*. Australia: John Willey & sons.

Coakes, S. J., & Steed, G. (2003) *SPSS without Anguish*. Sydney:John Wiley & Sons Australia, Ltd.

Cohen, J., Gaynor, L. M, Krishnamoorthy, G., & Wright, A. M. (2008). Auditor communication with the audit committee and board of directors: policy recommendations and opportunities for future research. *Accounting Horizons*, 21(2), 165-187.

Cohen, J. R., & Hanno, D. M. (Fall 2000). Auditors' consideration of corporate governance and management control philosophy in preplanning and planning judgments. *Auditing:A Journal of Practice &Theory*, 19(2), 133-146.

Cohen, J., Krishnamoorthy, G., & Wright, A. (2010). Corporate governance in the post-Sarbanes- Oxley era :auditors' experiences. *Contemporary Accounting Research*, 27(3), 751-786.

Cohen, J., Krishnamoorthy, G., & Wright, A. (2004). The corporate governance mosaic and financial reporting quality. *Journal of Accounting literature*, 23, 87-152.

Cohen, J. R., Krishnamoorthy, G., & Wright, A. M. (2008). Form versus substances: The implication for auditing practice and research of alternative perspectives on corporate governance. *AUDiting:A Journal of Practice &Theory*, 27(2), 181-198.

Cohen, J. R., Krishnamoorthy, G., & Wright, A. M. (2007). The impacts of roles of the board on auditors' risk assessments and program planning decisions. *AUDiting:Journal of Practice &Theory*, 26(1), 91-112.

Cohen, J. R., Krishnamoorthy, G., & Wright, A. M. (2007). Corporate governance and audit process. *Contemporary Accounting Research*, 19(4), 573-594.

Committee of Sponsoring Organizations (COSO)(2006), *Internal Control over Financial Reporting – Guidance for Smaller Public Companies*.

Committee of Sponsoring Organizations (COSO)(2002), *Internal Control – Integrated Framework*

Committee on Corporate governance, Hampel report. (1998). Final report of committee. London: Gee Publishing

Companies Law 1997. Jordan. Retrieved May, 15, 2009 from <http://www.lob.gov.jo/ui/laws/listall.jsp>

Core, J. E., Holthausen, R., & Larcker, D. F. (1999). Corporate governance, chief executive officer compensation, and firm performance. *Journal of Financial Economics*, 51, 371-406.

Courtis, J. K. (1976). Relationships between timeliness in corporate reporting and corporate attributes. *Accounting and Business Research*, 6(25), 46-56.

Craswell, A. T. (1999). Does the provision of non-audit services impair auditor independence? *International Journal of Auditing*, 3(1), 29-40.

Craswell, A. T., Francis, J. R., & Taylor, S. L. (1995). Auditor brand name reputations and industry specializations. *Journal of Accounting and Economics*, 20(3), 297-322.

Davidson, R., Stewart, J. G.-., & Kent, P. (2005). Internal governance structures and earnings management. *Accounting and Finance*, 45, 241-267.

Davies, B., & Whittred, G. P. (1980). The Association Between Selected Corporate Attributes and Timeliness in Corporate Reporting: Further Analysis. *Abacus*, 16(1), 48-60.

Davis, L. R., Ricchiute, D. N., & Trompeter, G. (1993). Audit effort, audit fees, and the provision of nonaudit services to audit clients. *Accounting Review*, 68(1), 135-150.

DeAngelo, L. E. (1981). Auditor independence, low balling', and disclosure regulation. *Journal of Accounting and Economics*, 3(2), 113-127.

Dechow, P. M., Sloan, R. G., & Sweeney, A. P. (1996). Causes and consequences of earnings manipulations: An analysis of firm subject to enforcement actions by the SEC. *Contemporary Accounting Research*(Spring), 1-36.

Defond, M. L., & Francis, J. R. (2005). Audit research after sarbanes-oxley. *Auditing:Journal of Practice & Theory*, 24(Suplement), 5-30.

DeFond, M. L., Raghunandan, K., & Subramanyam, K. R. (2002). Do Non-Audit Service Fees Impair Auditor Independence? Evidence from Going Concern Audit Opinions. *Journal of Accounting Research*, 40(4), 1247-1274.

Desai, K. N, Gerard, J.G& Tripathy, A. (2011). Internal audit sourcing arrangements and reliance by external auditors. *Auditing: Journal of Practice & Theory*, 30 (1), 149-171.

DeZoort, F. (1997). An investigation of audit committees' oversight responsibilities. *Abacus*, 33(2), 208-227.

DeZoort, F. T., & Lord, A. T. (1997). Review and synthesis of pressures effects in accounting. *Journal of Accounting Literature*, 16, 28-85.

DeZoort, F. T., Hermanson, D. R., Archambeault, D. S., & Reed, S. A. (2002). Audit committee effectiveness:A synthesis of the empirical audit committee literature. *Journal of Accounting literature*, 21, 38-75.

DeZoort, F. T., & Salterio, S. (2001). The effects of corporate governance experience and financial reporting and audit knowledge on audit committee members' judgments. *Auditing: A Journal of Practice and Theory*, 20(2), 31-47.

Dezoort, F. T., W.Houston, R., & F.Peters, M. (Summer 2001). The impact of internal auditor compensation and role on external auditors' planning judgments and decisions. *Contemporary Accounting Research*, 18(2), 257-281.

DeZoort, F. T., Hermanson, D. R., & Houston, R. W. (2003). Audit Committee support for auditors: the effect of materiality justification and accounting precision. *Journal of Accounting and Public Policy*, 22, 175-199.

Dhaliwal, D.S., Naiker, V. & Navissi, F.(2007). Audit committee financial expertise, corporate governance, and accrual quality: an empirical analysis. Working paper, The University of Arizona.

Dodd, P., Dopuch, N., Holthausen, R., & Leftwich, R. (1984). Qualified audit opinions and stock prices : Information content, announcement dates, and concurrent disclosures. *Journal of Accounting and Economics*, 6(1), 3-38.

Dopuch, N., & King, R. R. (1991). The impact of MAS on auditors' independence: An experimental markets study. *Journal of Accounting Research*, 29, 60-98.

Doupch, N., R.Holthausen, & R.Leftwich. (1986). Abnormal stock returns associated with media disclosures of 'subject to' qualified audit opinions. *Journal of Accounting and Economics*, 8(2), 93-117.

Doyle, J., Ge, W., & McVay, S. (2007). Determinants of internal control over financial reporting. *Journal of Accounting and Economics*, 44, 139-223.

Edge, W. R., & Farley, A. A. (1991). External auditorevaluation of the internal audit function. *Accounting and Finance*, 31(1), 69-83.

El-Bannany, M. (Spring 2008). Factors affecting audit report lag in banks: the Egyptian case. *Corporate Ownership & Control*, 5(3), 54-61.

Elliott, M., Dawson, R., & Edwards, J. (2007). An improved process model for internal auditing. *Managerial Auditing Journal*, 22(6), 525-565.

Elliot, R. K., & Korpi, A. R. (1978). Factors affecting audit fees. Cost-benifits analysis of auditing, Research study No. 3 by Melevin Shakun.New York. AICPA.

Eng, L. L., & Mak, Y. T. (2003). Corporate governance and voluntary disclosure. *Journal of Accounting and Public Policy*, 22(4), 325-345.

Errunza, V. R., & Losq, E. (1985). The behavior of stock prices on LDC markets. *Journal of Banking & Finance*, 9(4), 561-575.

Ettredge, M. L., Li, C., & Sun, L. (2006). The impact of sox section 404 internal control quality assessment on audit delay in the sox era. *Auditing : A Journal of Practice & Theory*, 25(2), 1-23.

Fadzil, F.H., Haron, H., & Jantan, M., (2005). Internal auditing practices and internal control system. *Managerial Auditing Journal*, 20 (8), 844 – 866.

Fama, E. (1980). Agency problem and the theory of the firm. *Journal of Political Economy*, 88(2), 288-307.

Fama, E., & M.Jensen. (1983). Agency problems and residual claims. *Journal of Law and Economics*, 26(2), 327-349.

Farber, D. B. (2005). Restoring trust after fraud: Does corporate governance matters? *The Accounting Review*, 80(2), 539-561.

Fargher, N. L., & Jiang, L. (2008). Changes in the audit environment and auditors' propensity to issue going-concern opinions. *Auditing: A Journal of Practice & Theory*, 27, 55.

Farmer, T. A., Rittenberge, L. E., & Trompeter, G. M. (1987).An investigation of the impact of economic and organizational factor on auditor independence. *Auditing: A Journal of Practice & Theory*, 7, 1-14.

Felix Jr, W. L., Gramling, A. A., & Maletta, M. J. (2005). The influence of nonaudit service revenues and client pressure on external auditors' decisions to rely on internal audit. *Contemporary Accounting Research*, 22(1), 31-53.

Felix, W. L., Gramling, A. A., & Maletta, M. J. (1998). *Coordinating total audit coverage: the relationship between internal and external auditors*. (Altamonte Springs, FL: The Institute of Internal Auditors Research Foundation, 1998).

Felix, W. L., Gramling, A. A., & Maletta, M. J. (2001). The contribution of internal audit as a determinants of external audit fees and factors influencing this contribution. *Journal of Accounting Research*, 39(3), 513-534.

Felo, A. J., Krishnamurthy, S., & Solieri, S. A. (2003). Audit Committee Characteristics and the Perceived Quality of Financial Reporting: An Empirical Analysis. Unpublished paper presented at the 2001 American Accounting Association (AAA) Annual Meeting

Financial Accounting Standards Board. 1980. Statement of Financial Accounting Concepts No. 2, Qualitative Characteristics of Accounting Information. Stamford, CT: Financial Accounting Standards Board.

Financial Reporting Council (2006), *The Combined Code on Corporate Governance*.

Firth, M. (2002). Auditor-Provided Consultancy Services and their Associations with Audit Fees and Audit Opinions. *Journal of Business Finance & Accounting*, 29(5&6), 661-693.

Frankel, R. M., Johnson, M. F., & Nelson, K. K. (2002). The relation between auditors' fees for nonaudit services and earnings management. *Accounting Review*, 77, 71-105.

Frost, C. A., & Pownall, G. (1994). Accounting disclosure practices in the United States and the United Kingdom. *Journal of Accounting Research*, 32(1), 75-102.

Gana, M., & Lajmi, A. (2011). Directors' board characteristics and audit quality: evidence from Belgium. *Journal of Modern Accounting and Auditing*, 7(7), 668-679.

Garsombke, H. P. (1981). The timeliness of corporate financial disclosure. *Communication via Annual Reports*, 204-218.

Geiger, M. A., & Rama, D. V. (2003). Audit Fees, Nonaudit Fees, and Auditor Reporting on Stressed Companies. *Auditing: A Journal of Practice & Theory*, 22(2), 53-70.

Gendron, Y., & Bedard, J. (2006). On the construction of audit committee effectiveness. *Accounting, Organizations and Society*, 31, 211-239.

Gendron, Y., Bedard, J., & Gosselin, M. (2004). Getting inside the black box: a field study of practices in "effective" audit committee. *Auditing: A Journal of Practice & Theory*, 23(1), 153-171.

Gilling, D. M. (1977). Timeliness in corporate reporting: some further comment. *Accounting and Business Research*, 7, 35-50.

Givoly, D., & Palmon, D. (1982). Timeliness of annual earnings announcements: Some empirical evidence. *Accounting Review*, 486-508.

Glover, S. M., Prawitt, D. F., & Wood, D. A. (2008). Internal audit sourcing and the external auditor's reliance decision. *Contemporary Accounting Research*, 25(1), 193-213.

Goh, B. W. (2008). Audit committee, board of directors, and remediation of material weaknesses in internal control. Available at: <http://ssrn.com/abstract=1145024>

Gomaa, A. H. (2006). Top management awareness of knowledge development in IAP and its impact on the role of the internal auditor: an analytical empirical study in the Jordanian business organization. *Arabic Journal for Adminstrative Science*, 13(1), 37-66.

Goodwin, J. (2003). The relationship between the audit committee and the internal audit function: Evidence from Australia and New Zealand. *International Journal of Auditing*, 7(3), 263-278.

Goodwin-Stewart, J., & Kent, P. (2006a). The use of internal audit by Australian companies. *Managerial Auditing Journal*, 21 (1), 81 – 101.

Goodwin-Stewart, J., & Kent, P. (2006b). Relation between external audit fees, audit committee characteristics and internal audit. *Accounting and Finance*, 46, 387-404.

Goodwin, J., Seow, J. L., (2002). The influence of corporate governance mechanisms on the quality of financial reporting and auditing: perceptions of auditors and directors in Singapore. *Accounting and Finance*, 42, 195 – 223.

Goodwin, J., & Yeo, T. Y. (2001). Two factors affecting internal audit independence and objectivity: evidence from Singapore. *International Journal of Auditing*, 5(2), 107-125.

Gordon, L. A., & Smith, K. J. (1992). Postauditing capital expenditures and firm performance. *Accounting, Organizations and Society*, 17(8), 741–757.

Gramling, A. (1999). External auditors' reliance on work performed by internal auditors: the influence of fee pressure on this reliance decision. *AUDiting:Journal of Practice & Theory*, 18(Supplement), 117-135.

Gramling, A. A., Maletta, M. J., Shneider, A., & Church, B. K. (2004). The role of internal audit function in corporate governance: a synthesis of the extant internal auditing literature and directions for future research. *Journal of Accounting literature*, 23, 194-244.

Gramling, A. A., & Vandervelde, S. D. (2006). Assessing internal audit quality. *Internal Auditing*, 21(3), 26-33.

Guner, M. F. (2008). Stackholders' perceptions and expectations and the evolving role of internal audit *Internal Auditing*, 23(5), 21-33.

Habib, A., & Islam, A. (2007). Determinants and consequences of non-audit service fees: Preliminary evidence from Bangladesh. *Managerial Auditing Journal*, 22(5), 446-469.

Hair, J.F., Black, W. C., Babin, B. J., & Anderson. R.R. (2010) *Multivariate Data Analysis* (7th ed). New Jersey: Pearson Education.

Hakim, F., & Omri, A. (2009). Does auditor reputation reduce information asymmetry? Evidence from Tunisia. *International Journal of Managerial and Financial Accounting*, 1(3), 235-247.

Halcoussis, D. (2005). Understanding econometrics. Ohio, USA: Thomson.

Hanckenbrack, K., & Nelson, M. (1996). Auditors' incentives and their application of financial accounting standards. *The Accounting Review*, 71(1), 43-59.

Haniffa, R. M., & Cooke, T. E. (2002). Culture, corporate governance and disclosure in Malaysia. *Abacus*, 38(3), 317-349.

Haniffa, R., & Hudaib, M. (2006). Corporate governance structure and performance of Malaysian listed companies. *Journal of Business Finance & Accounting*, 33(7-8), 1034- 1062.

Hansen, S. C. (1997). Designing internal controls: The interaction between efficiency wages and monitoring. *Contemporary Accounting Research*, 14(1), 129-163.

Haron, H., Chambers, A., Ramsi, R., & Ismail, I. (2004). The reliance of external auditors on internal auditors. *Managerial Auditing Journal* 19(9), 1148-1159.

Hashim, U. J., & Abdul Rahman, R. (2011). Audit report lag and the effectiveness of audit committee among Malaysian companies. *International Bulletin of Business Administration*, 10, 50-61.

Haw, I. M., Qi, D., & Wu, W. (2000). Timeliness of annual report releases and market reaction to earnings announcements in an emerging capital market: The case of China. *Journal of International Financial Management & Accounting*, 11(2), 108-131.

Hay, D., Knechel, R., & Li, V. (2006). Non-audit services and auditor independence: New Zealand evidence. *Journal of Business Finance & Accounting*, 33(5-6), 715-734.

Helland, E., & Sykuta, M. (June 2003). Who's monitoring the monitor? Do outside directors Protect shareholders' interests? Unpublished working paper. University of Missouri-Columbia.

Hellman, N. (2006). Auditor-client interaction and client usefulness - a Swidish case study. *International Journal of Auditing*, 10, 99-124.

Henderson, C., & Kaplan, S. E. (2000). An examination of audit report lag for banks: a panel data approach. *Auditing: A Journal of Practice & Theory*, 19(2), 159-174.

Hendriksen, E. S., & Breda, M. F. V. (1992). *Accounting Theory*: fifth edition, Burr Ridge. IL: Irwin.

Hofstede, G. (1980). *Culture's Consequences: International Differences in Work-related Values*. Saga publications, Beverly Hills.

Hoitash, U., Hoitash, R., & Bedard, J. C. (2009). Corporate governance and internal control over financial reportinf: A comparison of regulatory regimes. *The Accounting Review*, 84(3), 839-867.

Hossain, M. A., & Taylor, P. (1998). *An examination of audit delay: Evidence from Pakistan*: Working Paper, University of Manchester.

Ho, S., Hutchinson, M. (2010). Internal audit department characteristics / activities and audit fees: some evidence from Hong Kong firms. *Journal of International Accounting Auditing and Taxation*, 19, 121 – 136

Hovland, C. I., Janis, I., & H.Kelley. (1953). *Communication and Persuasion*. New Haven: Yale University Press.

Huang, H. W., Mishra, S., & Raghunandan, K. (2007). Types of nonaudit fees and financial reporting quality. *Auditing: A Journal of Practice & Theory*, 26, 133.

IFAC. (2009). International standard on auditing No, 610: *the auditor's consideration of the internal audit function*. Retrieved March 17, 2010 from <http://www.ifac.org>

IFAC. (2009). International standard on auditing No, 315: *Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and Its Environment*. Retrieved March 17, 2010 from <http://www.ifac.org>

IFAC. (2009). International standard on auditing No, 330: *The Auditor's Responses to Assessed Risks*. Retrieved March 17, 2010 from <http://www.ifac.org>

IFAC. (2004). International standard on auditing No, 400: *Risk Assessment and Internal Control*. Retrieved March 17, 2010 from <http://www.ifac.org>

IFAC. (2009). International Standards on Auditing No, 260: *Communication with Those Charged with Governance*. March, 17, 2010 from <http://www.ifac.org>

Imam, S., Ahmed, Z. U., & Khan, S. H. (2001). Association of audit delay and audit firms' international links: evidence from Bangladesh. *Managerial Auditing Journal*, 16(3), 129-134.

Institute of Internal Auditors (IIA). (2005). Corporate Governance. Retrieved May, 3, 2010 from http://www.theiia.org/?doc_id=1041.

Institute of Internal Auditors (IIA). (1999). Definition of Internal Auditing. Altamonte Springs, Florida: The Institute of Internal Auditors.

Institute of Internal Auditors (IIA). (2010). International standards for the professional practice of internal auditing No, 2050: *Coordination*. Retrieved May 3, 2010 from <http://www.theiia.org/guidance/standards-and-guidance/ippf/standards/>

Institute of Internal Auditors (IIA). (2010). International standards for the professional practice of internal auditing No, 2100: *Nature of Work*. Retrieved May 3, 2010 from <http://www.theiia.org/guidance/standards-and-guidance/ippf/standards/>

Ismail, H., Mohd. Iskandar, T., & Mohid Rahmat, M. (2008). Corporate reporting quality, audit committee and quality of audit. *Malaysian Accounting Review*, 7(1), 21-42.

Jaafar, A., & EL-Shawa, M. (2007). Ownership concentration, board characteristics and performance: evidence from Jordan. Retrieved May 15, 2009 from <http://ssrn.com/abstract=1392727>

Jaggi, B., & Leung, S. (2005). *Corporate board independence, family ownership dominance and earnings management: evidence from Hong Kong firms*. Paper presented at the Annual congress of the European Accounting Association.

Jaggi, B., & Tsui, J. (1999). Determinants of audit report lag: Further evidence from Hong Kong. *Accounting and business research*, 30(1), 17.

Jalil Tarif, 2009. dialogue with al-siasah news paper. Retrieved June 23, 2009 from www.ammanstock.net/vbnew/showthread.php?t=35599 – Jordan

Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: managerial behavior, agency costs, and ownership structure. *Journal of Financial Economics*, 3(4), 305-360.

Jordan Securities Commission (JSC). 2005. Code of corporate governance of shareholding Companies in ASE. Retrieved May 15, 2009 from http://www.jsc.gov.jo/Public/mainarabic.aspx?Page_id=841

Joshi, A. (2005). Timeliness in corporate reporting of Indian public financial institutions. Retrieved March 29, 2010 from <http://ssrn.com/abstract=919080>

Joyce, E. J., Biddle, G. C. (1981). Are auditors' judgments sufficiently regressive. *Journal of Accounting Research*, 19 (2), 323 – 349.

Kaplan, S. E., & Schultz, J. J. (2006). The role of internal audit in sensitive communications. *Retrieved February*, 4, 2008.

Karim, W., Ahmed, K., & Islam, A. (2006). The effect of regulation on timeliness of corporate financial reporting: Evidence from Bangladesh. *Journal of Administration and Governance*, 1(1), 15-35.

Kazmier, L.J. (1996). *Business Statistics* (third edition). McGraw-Hill.

Kent, P., Routledge, J., & Stewart, J. (2010). Innate and discretionary accruals quality and corporate governance. *Accounting & Finance*, 50 (1), 171 – 195.

Khasharmeh, H. A., & Aljifri, K. (2010). The timeliness of annual reports in Bahrain and the united arab emirates: an empirical comparative study. *The International Journal of Business and Finance Research*, 4(1), 51-71.

Khrisat, a. (1993). *Evaluation of the internal audit function's effectiveness among industrial companies in Jordan*. University of Jordan, Amman-Jordan.

King Committee on Corporate Governance (2002),*King Report on Corporate Governance for South Africa*

Kinney, J., Palmrose, Z. V., & Scholz, S. (2004). Auditor Independence, Non-Audit Services, and Restatements: Was the US Government Right?*. *Journal of Accounting Research*, 42(3), 561-588.

Klein, A. (1998). Firm performance and board committee structure. *Journal of Law and Economics*, 41, 275-299.

Klein, A. (2002). Audit committee, board of directors characteristics, and earning management. *Journal of Accounting and Economics*, 33, 375-400.

Kline,R.B. (1998). *Principles and practice of structural equation modeling*. New York: Guilford Press.

Knapp, M. C. (1985). Audit conflicts: an empirical study of the perceived ability of auditors to resist management pressure. *The Accounting Review*, 60, 202-211.

Knechel, W. R., & Payne, J. L. (2001). Additional evidence on audit report lag. *Auditing*, 20(1), 137-146.

Koh, P. S., Laplante, S. K., & Tong, Y. H. (2007). Accountability and value enhancement roles of corporate governance. *Accounting & Finance*, 47, 305 – 333.

Kolins, W. A., Cangemi, M. P., & Tomasko, P. A. (1991). Eight essential attributes of an effective audit committee. *internal auditing*, 7(summer), 3-18.

KPMG. 1999. *Shaping the audit committee Agenda*. Montvale, NJ:KPMG.

Krishnamoorthy, G. (2002). A multistage approach to external auditors' evaluation of the internal audit function. *Auditing: A Journal of Practice & Theory*, 21(1), 95-120.

Krishnan, G. V. (2005). The association between Big 6 auditor industry expertise and the asymmetric timeliness of earnings. *Journal of Accounting Auditing and Finance*, 20(3), 209.

Krishnan, G. V., & Visvanathan, G. (2007). Reporting internal control deficiencies in the post-Sarbanes-Oxley Era: The role of auditor and corporate governance. *International Journal of Auditing*, 11, 73-90.

Krishnan, J. (2005). Audit committee quality and internal control: An empirical analysis. *The Accounting Review*, 80(2), 649-675.

Kulzick, R. S. (2004). Sarbanes-Oxley: Effects on Financial Transparency. *SAM Advanced Management Journal*, 69(1), 43-50.

Lai, K. W., Cheuk, L. C., & Hom, H. (2005). Audit Report Lag, Audit Partner Rotation and Audit Firm Rotation: Evidence from Australia.

Lawrence, J. E., & Glover, H. D. (1998). The Effect of Audit Firm Mergers on Audit Delay. *Journal of Managerial Issues*, 10(2), 151-165.

Lee, H. Y., Mande, V., & Son, M. (2008). A comparison of reporting lags of multinational and domestic firms. *Journal of International Financial Management & Accounting*, 19(1), 28-56.

Leventis, S., Weetman, P., & Caramanis, C. (2005). Determinants of audit report lag: some evidence from the Athens stock exchange. *International Journal of Auditing*, 9(1), 45-58.

Levitt, A. (1998). The numbers game. Retrieved May 12, 2010 from <http://www.rutgers.edu/accounting/raw/aa/newsarc/pr101898.html>

Levitt, A. (2000). Renewing the covenant with investors. Speech at New York University Center for Law and Business. Retrieved May 12, 2010 from <http://www.sec.gov/news/speeches/spch370.htm>

Lim, C. Y., & Tan, H. T. (2008). Non-audit service fees and audit quality: The impact of auditor specialization. *Journal of Accounting Research*, 46(1), 199-246.

Lin, S., Pizzini, M., Vargus, M., & Bardhan, I. R. (2011). The role of internal audit function in the disclosure of material weakness. *The Accounting Review*, 86 (1), 287 – 323.

Loebbecke, J. K., Eining, M. M., & Willingham, J. J. (1989). Auditors' experience with material irregularities: frequency, nature, and delectability. *Auditing: A journal of Practice and Theory*, 9(1), 1-28.

Lord, A. T. (1992). Pressure: a methodological consideration for behavior research in accounting. *Auditing: A Journal of Practice & Theory*, 11(2), 89-108.

Magdy, F. (2007). Discretionary accruals, nonaudit service fees, and earning persistence Unpublished Working Paper. California State Polytechnic University.

Maletta, M. J. (1993). An examination of auditors' decisions to use internal auditors as assistants: the effect of inherent risk. *Contemporary Accounting Research*, 9(2), 508-526.

Maletta, M. J., & Kida, T. (1993). The effect of risk factors on auditors' configural information processing. *Accounting Review*, 68(3), 681-691.

Margheim, L. L. (Spring 1986). Further evidence on external auditors' reliance on internal auditors. *Journal of Accounting Research*, 24(1), 194-205.

Margheim, L., & Kelley, T. (1992). The perceived effects of fixed fee audit billing arrangement. *Accounting Horizons*, 6(4), 62-75.

Mat Zain, M., Subermaniam, N. & Stewart, J. (2006). Internal auditors' assessment of their contribution to financial statement audit : the relation with audit committee and internal audit function characteristics . *International Journal of Auditing*, 10,1-18.

Mat Zain, M. (2005). *The impact of audit committee and internal audit attributes on internal audit contribution to financial statement audits and audit fees:Perceptions of Malaysian internal auditors*. Unpublished PhD Dissertation. Griffith University.Australia.

McGee, R. W., & Tarangelo, T. (2008). The timeliness of financial reporting: A comparative study of Russian and Non-Russian banks. *Corporate Governance in Transition Economies*, 101-113.

McGee, R. W., & Yuan, X. (May 2008). Corporate governance and the timeliness of financial reporting: an empirical study of the people's republic of china. Unpublished working paper. Florida International University.

McGuire, W. J. (1973). *Persuasion, resistance, and attitude change. Handbook of Communication*. Chicago: Rand McNally College Publishing Co.

McMullen, D. A. (1996). Audit committee performance: An investigation of the consequences associated with audit committee. *Auditing:A Journal of Practice &Theory*(Fall), 1-28.

Menon, K., & Williams, J. (1994). The use of audit committee for monitoring. *Journal of Accounting and Public Policy*, 13, 121-139.

Messier, w. F., & Shneider, A. (1988). A hierarchical approach to the external auditor's evaluation of the internal audit function. *Contemporary Accounting Research*, 4(2), 337-353.

Miettinen, J. (2008). *The effect of audit quality on the relationship between audit committee effectiveness and financial reporting quality*: University of Vaasa.

Mills, T. (1996). The effect of cognitive style on external auditors' reliance decisions on internal audit functions. *Behavioral Research in Accounting*, 8, 49-73.

Mitra, S. (2007). Nonaudit service fees and auditor independence: Empirical evidence from the oil and gas industry. *Journal of Accounting Auditing and Finance*, 22(1), 85.

Mohamad, A. A. (1995). A study of factors determining to audit report delay. *Economic and Business Review*, 2, 913-943.

Mohamad-Nor, M. N., Shafie, R., & Wan-Hussin,W. N. (2010). Corporate governance and audit report lag in Malaysia. *Asian Academy of Management Journal of Accounting and Finance*, 6(2), 57-84.

Molz, R. (1995). The theory of pluralism in corporate governance: a conceptual framework empirical test. *Journal of Business Ethics*, 14, 69-94.

Monks, R. A., & Minow, N. (1995). *Corporate Governance* . Cambridge: Blackwell Publishers.

Morrill, C., & Morrill, J. (2003). Internal auditors and the external audit: a transaction cost perspective. *Managerial Auditing Journal*, 18(6/7), 490-504.

Munro, L., & Stewart, J. (june 2010). External auditors' reliance on internal audit: the impact of sourcing arrangements and consulting activities. *Accounting and Finance*, 50(2), 371-381.

Mustafa, S. (1994). External auditor's evaluatuion of internal audit function. (Insurance and Management and Accounting Journal).

Nagy, A. L., & Cenker, W. J. (2002). AN assessment of the newly defined internal audit function. *managerial auditing journal*, 17(3), 130-137.

Naser, K., & Al-Khatib, K. (2000). Determinants of the depth of information disclosure in the board of directors statements of a sample of Jordanian listed companies. *Advances in International Accounting*, 13, 99-118.

Naser, K., & Nuseibeh, R. (2007). Determinants of audit fees: empirical evidence from an emerging economy. *International Journal of Commerce and Management*, 17(3), 239-254.

Newton, J. D., & Ashton, R. H. (1989). The association between audit technology and audit delay. *Auditing: A Journal of Practice & Theory*, 8(2), 22-37.

Ng, P. P. H., & Tai, B. Y. K. (1994). An empirical examination of the determinants of audit delay in Hong Kong. *The British Accounting Review*, 26(1), 43-59.

Nunnally, J.c., & Bernstein, I.H. (1994). *Psychometric Theory* (3rd ed). New York: McGrawHill.

Obaidat, A. (2007). Accounting information qualitative characteristics gap: evidence from Jordan. *International Management Review*, 3(2), 26-32.

OECD. 2004. The OECD principles of corporate governance. Retrieved May 12, 2009 from http://oecd.org/publications/pol_brief

O'keefe, T., Simunic, D. A., & Stein, M. (1994). The production of audit services: evidence from a major public accounting firm. *Journal of Accounting Research*, 32(2), 241-261.

O'Sullivan, M., Percy, M., & Stewart, J. (2008). Australian evidence on corporate governance attributes and their association with forward-looking information in the annual report. *Journal of Management and Governance*, 12(1), 5-35.

Owusu-Ansah, S. (2000). Timeliness of corporate financial reporting in emenging capital markets: empirical evidence from the Zimbabwe stock exchange. *Accounting and Business Research*, 30(3), 241-254.

Owusu-Ansah, S., & Leventis, S. (2006). Timeliness of corporate annual financial reporting in Greece. *European Accounting Review*, 15(2), 273-287.

Palmrose, Z., & Scholz, S. (2004). The accounting causes and legal consequences of non-GAAP reporting:evidence from restatements. *Contemporary Accounting Research*, Spring, 139-180.

Patton, A., & Baker, J. C. (1987). Why don't directors rock the boat? *Harvard Business Review*, 65, 10-18.

Peasnell, K. V., Pope, P. F., & Young, S. (2005). Board monitoring and earnings management: Do outside directors influence abnormal accruals? *Journal of Business Finance and Accounting*, 32(7)&(8)), 1311-1346.

Pomeroy, P., & Thornton, D. B. (2008). Mera- analysis and the accounting literature: The case of audit committee independence and financial reporting quality. *European Accounting Review*, 17(2), 305-330.

Prawitt, D. F., Smith, J. L., & Wood, D. A. (2009). Internal audit quality and earnings management. *The Accounting Review*, 84(4), 1255-1280.

Prickett, R. (2002). Sweet clarity. *Financial Management (September)*, 18–20.

Public Company Auditing Oversight Board (PCAOB). 2007. Auditing Standard No. 5: *An audit of internal control over financial reporting that is Integrated with an Audit of Financial Statements*. New York: PCAOB.

Public Oversight Board (POB). 1993. In the Public Interest: A Special Report by the Public Oversight. Stamford, CT: Public Oversight Board.

Qin, B. (2007). The influence of audit committee financial expertise on earnings quality: US evidence. *ICFAI Journal of Audit Practice*, 4(3), 7-28.

Raghunandan, K., Read, W. J., & Rama, D. V. (2001). Audit Committee Composition," Gray Directors," and Interaction with Internal Auditing. *Accounting Horizons*, 15(2).

Raghunandan, K., Read, W. J., & Whisenant, J. S. (2003). Initial Evidence on the Association between Nonaudit Fees and Restated Financial Statements. *Accounting Horizons*, 17(3), 223-235.

Rahahleh, M. Y. (2010). Regulating the profession of internal auditing in Jordan. *European Journal of Economics, Finance and administrative science*, 20, 163 – 180.

Ratcliffe, A. (2003). Communication and the audit committee. *Accountancy Magazine*, 100

Reinstein, A., Callaghan, J., & Braiotta, L. (1984). Corporate audit committees: Reducing directors' legal liabilities. *Journal of Urban Law*(Winter), 375–389.

Rezaee, Z., & Lander, G. H. (1993). The internal auditor's relationship with the audit committee. *Managerial Auditing Journal*, 8, 35-35.

ROSC. (2005). *Report on the observances of standards and codes, corporate governance country assessment* (electronic version). Amman-Jordan.

Sabia, M. J., & Goodfellow, J. L. (2005). *Integrity in the Spotlight*: Toronto: The Canadian Institute of Chartered Accountants.

Sarbanes-Oxley Act, 2002, Public Law 107-204, 107th Cong., 2nd sess (GPO, Washington, DC).

Sarens, G., & Abdolmhamadi, J. (2011). Monitoring effects of the internal audit function: agency theory versus other explanatory variables. *International Journal of Auditing*, 15, 1 – 20.

Scarborough, D. P., Rama, D. V., & Raghunandan, K. (1998). Audit committee composition and interaction with internal auditing: Canadian evidence. *Accounting Horizons*, 12(1), 51-62.

Schneider, A. (1985b). Consensus among auditors in evaluating the internal audit function. *Accounting and Business Research*, 15(60), 297-301.

Schneider, A. (2004). The nature, impact and facilitation of external auditor reliance on internal auditing. *Academy of Accounting and Financial studies Journal*, 19(4), 41-53.

Schneider, A., Church, B. K., & Ely, K. M. (2006). Non-audit services and auditor independence: A review of the literature. *Journal of Accounting Literature*, 25, 169-211.

Securities and Exchange Commission (SEC). 2003. *NASD and NYSE Rulemaking: Relating to Corporate Governance*. Retrieved May 15, 2009 from <http://www.sec.gov/rules/sro/34-48745.htm>.

Securities and Exchange Commission (SEC). 2000. *Final Rule: Revision of the Commission's Auditor Independence Requirements*. SEC: Washington, D.C.

Securities Law 2002. Jordan. Retrieved May 15, 2009 from <http://www.lob.gov.jo/ui/laws/listall.jsp>

Selim, G., Woodward, S., & Allegrini, M. (2009). Internal auditing and consulting practice: A comparison between UK/ Ireland and Italy. *International Journal of Auditing*, 13, 9-25.

Shaggor, O. (2000). *The extent of compliance with internal auditing standards among commercial banks in Jordan*. Unpublished master thesis, University of Jordan, Amman-Jordan.

Shanikat, M. (2008). *Organization change and accounting information system: a case study of the privatization of Jordan telcom*. Unpublished PhD thesis, University of Wollongong, Australia.

Sharar, Z. (2007). A Comparative Analysis of the Corporate Governance Legislative Framework in Australia and Jordan measured against the OECD Principles of corporate governance 2004 as an international benchmark. Bond University.

Sharma, D. S., Boo, E. f., & Sharma, V. D. (2008). The impact of non-mandatory corporate governance on auditors' client acceptance, risk and planning judgments. *Accounting and Business Research*, 38(2), 105-120.

Sharma, D. S., & Sidhu, J. (2001). Professionalism vs commercialism: The association between non-audit services (NAS) and audit independence. *Journal of Business Finance & Accounting*, 28(5-6), 563-594.

Sharma, V. D. (2004). Board of directors' characteristics, institutional ownership, and fraud: evidence from Australia. *Auditing: A Journal of Practice & Theory*, 23(2), 105-117.

Sherer, M., & Kent, D. (1983). *Auditing and Accountability*. Pitman: London.

Shleifer, A., & Vishny, R. (1997). A survey of corporate governance. *Journal of Finance*, 52, 737-783.

Shneider, A. (2009). The nature, impact and facilitation of external auditor reliance on internal auditing. *Academy of accounting and financial studies journal*, 13(4), 41-53.

Shneider, A. (Autumn 1984). Modeling external auditors' evaluations of internal auditing. *Journal of Accounting Research*, 22(2), 657-678.

Shneider, A. (Autumn 1985a). The reliance of external auditors on the internal audit function. *Journal of Accounting Research*, 23(2), 911-919.

Shneider, A., & Wilner, N. (1990). A test of audit deterrence to financial reporting irregularities using randomized response technique. *The Accounting Review*, 65(3), 668-681.

Simunic, D. A. (1984). Auditing, consulting, and auditor independence. *Journal of Accounting Research*, 22(2), 679-702.

Smith Committee (2003). Audit Committees - Combined Code Guidance. Financial Reporting Council.

Soltani, B. (2002). Timeliness of corporate and audit reports: Some empirical evidence in the French context. *The International Journal of Accounting*, 37(2), 215-246.

Spek, F. R., Elten, H. J. V., & Kruis, A. M. (2007). Sourcing of internal auditing: An empirical study. *Management Accounting Research* 18, 102-124.

Spira, L. F. (1999). Ceremonies of governance: Perspectives on the role of the audit committee. *Journal of Management and governance*, 3(3), 231-260.

Spira, L. F., & Page, M. (2003). Risk management: The reinvention of internal control and the changing role of internal audit. *Accounting, Auditing and Accountability Journal* 16(4), 640-661.

Stein, M. T., Simunic, D. A., & B.O'keefe, T. (Supplement 1994). Industry differences in the production of audit services. *AUDiting: Journal of Practice & Theory*, 13, 128-142.

Stewart, J., & Munro, L. (2007). The impact of audit committee existence and audit committee meeting frequency on the external audit: Perceptions of Australian auditors. *International Journal of Auditing*, 11(1), 51-69.

Suwaidan, M. S., & Qasim, A. (2010). External auditors' reliance on internal auditors and its impact on audit fees. *Managerial Auditing Journal*, 25(6), 509-525.

Tabachnick, B.G. & Fidell, L.S (2007). *Using multivariate statistics* (5th ed). Boston: Pearson Education.

Todd DeZoort, F., & Lord, A. T. (1997). A review and synthesis of pressure effects research in accounting. *Journal of Accounting Literature*, 16, 28-85.

Treadway Commission. 1987. *Report of the national commission on fraudulent financial reporting*. Washington, DC: National Commission on Fraudulent Financial Reporting.

Tsui, J., & Jaggi, B. (1999). Determinants of audit report lag: Further evidence from Hong Kong. *Accounting and business research*, 30(1), 17.

Uzun, H., Szewczyk, S. H., & Varma, R. (2004). Board composition and corporate fraud. *Financial Analysis Journal*(May/June), 33-43.

Vafeas, N. (2005). Audit committee, boards, and the quality of reported earnings. *Contemporary Accounting Research*, 22(4), 139-160.

Verschoor, C. C. (1992). Internal auditing interactions with the audit committee. *Internal Auditing*, 7(4), 20-23.

Walker, D. (1996). Internal audit reports: keeping them on target. *Managerial Auditing Journal*, 11 (4), 11 – 20.

Wallace, R. S. O., & Briston, R. J. (1993). Improving the accounting infrastructure in developing countries. *Research in Third World Accounting*, 2, 201-224.

Wallace, W. A. (1984). Internal auditors can cut outside CPA costs. *Harvard Business Review*, 62(2), 16-20.

Watts, R.L., & Zimmerman, J. (1983). Agency problems, auditing, and the theory of the firm: some evidence. *Journal of Laws and Economics*, 26, 613-634.

Whittington, R., & Margheim, L. (Spring 1993). The effects of risk, materiality, and assertion subjectivity on external auditors' reliance on internal auditors. *Auditing*, 12(1), 50-65.

Whittred, G. P. (1980). Audit qualification and the timeliness of corporate annual reports. *Accounting Review*, 55(4), 563-577.

Wines, G. (1994). Auditor independence, audit qualifications and the provision of non-audit services: A note. *Accounting & Finance*, 34(1), 75-86.

Wolnizer, P. W. (1995). Are audit committees red herrings? *Abacus*, 31(1), 45-66.

Wood, D. A. (2004). Increasing value through internal and external auditor coordination. IIA Research Foundation.

World Bank, (2009). Doing business report. Retrieved May 20, 2010 from <http://www.jib.gov.jo>

Wu, M. (2002). Earnings restatements: A capital market perspective. Working paper, New York University.

Xie, B., Davidson, W. N., & DaDalt, P. J. (2003). Earnings management and corporate governance: the role of the board and the audit committee *Journal of Corporate Finance*, 9, 295-316.

Yermack, D. (1996). Higher market valuation of companies with a small board of directors. *Journal of Financial Economics*, 40, 185-212.

Zain, M. M., Subramaniam, N., & Stewart, J. (2006). Internal auditors' assessment of their contribution to financial statement audits: The relation with audit committee and internal audit function characteristics. *International Journal of Auditing*, 10(1), 1-18.

Zhang, Y., Zhou, J., & Zhou, N. (2007). Audit committee quality, auditor independence and internal control weaknesses. *Journal of Accounting and Public Policy*, 26, 300-327.