




## ARTICLE

# Control Procedures of the Auditor and Methods of Preparedness for Pandemics (COVID-19 as an Example) in the Iraqi Environment (A Survey Study on a Group of Auditors)

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## Abstract

This study focuses on identifying the impact of pandemics (with COVID-19 as an example) on the external auditing environment in Iraqi institutions, taking into account both local and international standards. To achieve the desired results, the researchers sought to identify the most significant problems and challenges that auditors may face when conducting audits during a pandemic outbreak, as well as to determine the tools and mechanisms that could assist auditors in overcoming these challenges. The practical aspect of the study was carried out by distributing a questionnaire to a sample of auditors. The findings revealed that COVID-19 leads to a set of problems, the most notable of which are: increased audit risk levels, inadequacy of routine control procedures, the need for continuous updating of audit plans, assessment of a company's ability to continue as a going concern, and auditing accounting estimates. The study suggests that these problems and challenges can be addressed through various mechanisms, including: enhancing auditors' professional skepticism and judgment, obtaining written representations from management and those charged with governance, engaging the work of experts, maintaining adherence to professional ethics and independence requirements, ensuring coordination between Iraqi and international auditing standards, using electronic means to design and perform additional audit procedures, emphasizing the scientific and practical qualification of auditors, expanding disclosures in audit reports, and utilizing internal audit departments' work.

**Keywords:** COVID-19, audit procedures, going concern, alternative auditing methods

## Introduction

The outbreak of the Coronavirus (COVID-19) began in Wuhan, China, in late November 2019, and the infection quickly spread across the globe. Initially, the primary concern of different countries was how to contain the health crisis; however, the virus's transformation into a pandemic heightened governments' fears that the prolonged duration required to control the outbreak could result in a catastrophic global economic crisis, affecting most if not all companies, particularly small and medium-sized enterprises [1], [2]. The spread of the pandemic led to a global economic recession caused by the suspension or shutdown of most economic activities due to various governmental measures to control the outbreak, such as market closures, production line halts in many industries, and the disruption of supply chains. Furthermore, the rapid spread of the virus and delays in developing a vaccine increased uncertainty and ambiguity regarding future performance expectations for organizations, leading to a greater inclination toward safe investment and consumption [3].

According to a 2020 report by the World Trade Organization, the COVID-19 health crisis was considered the most severe after the 2007–2008 global financial crisis, which was accompanied by multiple financial crises in most markets (WTO, 2020). In the same context, the virus disrupted financial market stability, with global stock markets losing \$6 trillion over six days from February 23 to 28 [4]. The S&P 500 index fell by 28% between February 20 and March 19, while the FTSE index dropped by 41.3%. Many major international banks also witnessed significant declines in their stock values; for instance, Citigroup's share price decreased by 49%. Moreover, the crisis caused oil prices to plummet to their lowest levels in 18 years, adversely affecting stock market indices and prompting investor flight due to heightened uncertainty associated with the pandemic.

This crisis affected all sectors, though the degree of impact varied across industries. The tourism, entertainment, aviation, insurance, and banking sectors suffered the most, while the healthcare, pharmaceutical, and vaccine sectors found in this crisis a golden opportunity to enhance their investments, particularly in research and development [5], [6]. Consequently, all companies, without exception, undertook assessments of the current and future implications of the pandemic and its impact on their financial reports, considering the specific circumstances of each company. This included factors such as the extent to which demand for the company's goods and services was affected, the availability of future financing needs, the impact on the attitudes of creditors and lenders, interest rate risks, credit risks, foreign exchange and currency risks, and the company's ability to meet its contractual obligations [7].

## Methodology

### Research Methodology and Previous Studies

#### 1.1 Research Problem

The primary objective of the external auditing function is to provide an independent professional opinion on the fairness of the financial statements and the reliability of the information they contain. This opinion enhances trust and credibility in the financial statements, instilling confidence in their users and enabling them to make informed decisions related to the company. The COVID-19 crisis has created a high level of skepticism, ambiguity, and uncertainty regarding the going concern of affected companies. Given that going concern is a fundamental assumption in the preparation of financial statements, one of the auditor's key responsibilities is to verify the accuracy of management's assessment regarding the entity's ability to continue operating, and to evaluate the assumptions upon which management based this assessment.

Naturally, auditing concepts have had to adapt, incorporating new mechanisms and different procedures to address the pandemic's impact on all auditing activities. This shift has introduced various challenges, such as difficulties in obtaining audit evidence, an increase in audit risk amid the crisis, heightened uncertainty regarding subsequent events after the issuance of financial reports, and the possibility that some managers might exploit the situation to commit fraud or manipulate the preparation of financial statements. Moreover, auditors may be unable to audit subsidiaries within a group, particularly those located in foreign countries

or remote provinces. All these challenges, along with others, may compel the auditor to make modifications to the audit report changes that could lead to disagreements between the auditor and the entity's management and governance bodies. Auditors must take these challenges into account when conducting audits in complex, high-risk environments, as well as when planning review procedures that may require implementing alternative procedures or introducing new ones suited to the crisis context.

The pandemic has prompted many professional organizations worldwide to continuously monitor the situation and issue various bulletins, guidelines, and instructions for dealing with the crisis. These bulletins have included recommendations such as using electronic means for remote auditing, which allow a live virtual display of all inventory items. This enables the auditor to randomly select inventory items and request that the person on the other end of the video call focus on specific items to verify their details. Other alternative procedures may include reviewing sales and purchase documents, examining inventory records prepared by management, and performing analytical procedures on sales and purchase volumes.

The research problem can be formulated through the following questions:

- What are the most significant implications of the COVID-19 pandemic on external auditing in Iraqi institutions?
- What are the main problems and challenges that an auditor may face when assigned to conduct audits of Iraqi institutions during the presence of pandemics?
- What mechanisms can be proposed to assist auditors in overcoming problems and challenges when auditing Iraqi institutions during a pandemic?

### **1.2 Research Objective**

The main objective of this research is to identify the key implications of the spread of COVID-19 on the environment and activities of auditing in Iraqi institutions, in line with both Iraqi and international standards. This main objective can be achieved through the following sub-objectives:

- Identifying the challenges and obstacles that auditors may face when assigned to audit a specific institution during the COVID-19 outbreak.
- Providing additional evidence from the Iraqi auditing environment on the impact of COVID-19 on external auditing procedures for Iraqi institutions.
- Proposing mechanisms that may help auditors find solutions to the problems and challenges they face when conducting audits during a pandemic.

### **1.3 Research Significance**

The significance of the issue under study lies in the creation of a new mindset in commerce, especially in the Iraqi environment, through the use of modern technology in trade, buying, and selling. It has thus become necessary to keep pace with this new mindset by applying it in the fields of accounting and financial control. The importance of this study can be summarized as follows:

#### **Scientific Importance:**

Due to the novelty of the crisis and its substantial impact on all aspects of life, researchers in various fields have been motivated to examine how it affects their disciplines and to develop appropriate solutions and treatments for dealing with such crises. Ultimately, this study represents a modest attempt by the researchers to enrich accounting and auditing thought by identifying the areas that can be relied upon to overcome this crisis.

Furthermore, this study contributes to the theoretical development of accounting and auditing, considering the seriousness of such crises, which are often rapid in spread and, in some cases, difficult to control in the short term. The current study aims to identify the appropriate approach for examining the implications of this crisis on the environment and activities of external auditing, serving as a fundamental reference that can be relied upon in similar future crises in terms of nature and conditions.

#### **Practical Importance**

The practical significance of this study lies not only in identifying the key problems and challenges that auditors may face when engaging in audit assignments during the outbreak of pandemics, but also in providing guidance for auditors to find solutions to such problems and challenges encountered while working during the spread of the virus. Furthermore, this

study offers important positive outcomes for the development of the work of regulatory and supervisory bodies, as it serves as an empirical reference on the most significant problems and difficulties auditors may face when working in a complex and challenging environment, along with proposed mechanisms to overcome these obstacles.

Through this study, the researchers aim to emphasize the essential nature of the auditing profession, its responsibility toward the public interest, and the protection of users of accounting information. They also seek to demonstrate the profession's independence and flexibility in responding to external factors, as well as the auditors' integrity, objectivity, independence, competence, and professionalism in performing their duties in compliance with the rules of professional conduct.

#### 1.4 Research Hypotheses

In light of the research problem, objectives, and significance, the hypotheses can be formulated as follows:

##### Main Hypothesis:

There is a statistically significant relationship between the pandemic outbreak and the auditor's work.

From this main hypothesis, the following sub-hypotheses are derived:

- There is a statistically significant relationship between the pandemic outbreak and the auditor's ability to conduct audits in areas affected by the pandemic.
- There is a statistically significant relationship between the pandemic outbreak and the need for modern mechanisms to help the auditor complete their work.

#### 1.5 Research Methodology

This study adopts a combination of the deductive and inductive approaches. The deductive approach is used to identify the most prominent problems and challenges that auditors may face when undertaking new audit assignments in an environment affected by the spread of pandemics, as well as to propose mechanisms that could assist auditors in overcoming these challenges. This was achieved by analyzing and studying bulletins issued by professional bodies and accounting firms, and reconciling them with the standards governing the profession, in order to answer the research questions.

The inductive approach was then applied by examining audit procedures in Iraqi institutions, through studying the extent to which the members of the research sample responded to the findings of the theoretical study in relation to the research questions.

#### 1.6 Research Limits

The research boundaries are as follows:

- This study was conducted in Iraq; therefore, the differences in environment from one country to another should be considered, and results should not be generalized, given the variations in the data and outcomes of infection spread across countries.
- This study analyzed the implications of the COVID-19 outbreak on the external auditing environment and explored how internal auditing can be utilized as a supportive factor to external auditing in overcoming this crisis.
- The study covered the period from April 1, 2020, to April 1, 2022, representing the timeframe of the virus outbreak and its subsequent effects in the following period.

#### 2. Previous Studies:

Below is a collection of previous studies reviewed by the researchers.

Study	Researcher's Name	Study Titles
Arabic Studies	(Ameen, 2016)	The Impact of the COVID-19 Pandemic on the Audit Procedures of Financial Auditors
	(Kafous, 2020)	"Implications of the Coronavirus Pandemic on External Auditing: An Analytical Study"
	(Al-Jubili, 2020)	"The Effect of the COVID-19 Pandemic Spread on the Preparation and Audit of Financial Statements: A Field Study"
Arabic Study in English	(Albitar, et al., 2020)	Auditing in times of social distancing: the effect of COVID-19 on auditing quality

Foreign Studies	(Sama, 2020)	AUDIT OF COVID-19 RESPONSE""
	(Vasarhelyi, et al., 2020)	Auditing and Accounting During and After the COVID-19 Crisis

Based on the review of a selection of previous studies related to the research topic, it is noticeable that earlier studies did not focus on identifying, defining, and describing the problems and obstacles and their impact on the auditing environment. In contrast, the current study emphasizes proposing mechanisms and methods to address the problems and challenges identified in the previous research. Additionally, most of the previous studies were conducted during 2020, i.e., during the pandemic outbreak and the global travel restrictions, which raises concerns about the accuracy of the data used in those studies. Furthermore, earlier research tended to analyze existing problems to find immediate solutions, whereas the current study focuses on developing means to strengthen the role of control in the event of similar future situations, considering the economic, administrative, and social conditions that accompanied the spread of the COVID-19 pandemic.

## Section Two Opinions of Professional Organizations and Accounting and Auditing Firms on the Spread of COVID-19

### 2.1 Impact of the COVID-19 Pandemic on the Auditor's Opinion

The responsibility of the external auditor is not limited to the financial statements and detecting any irregularities or manipulations therein; it also includes a comprehensive assessment of the company's financial position and its ability to continue as a going concern. The auditor's opinion and report are considered key tools in decision-making and future planning, whether in addressing weaknesses within the economic entity or enhancing its strengths.

Based on this, many professional organizations worldwide have shown concern about the effects of COVID-19 on the audit environment and the auditor's work, including:

#### 2.1.1 International Auditing and Assurance Standards Board (IAASB)

Coinciding with the pandemic, the IAASB issued a bulletin on March 1, 2020, titled *"Highlighting Areas of Focus in the Evolving Audit Environment Due to the Impact of COVID-19."* This was followed by guidance for auditors during the COVID-19 pandemic. The key message in this guidance emphasized that auditors must continue to comply with established standards, which may require different procedures and the exercise of professional judgment under the current circumstances. Additionally, auditors are encouraged to consider developing alternative procedures to obtain sufficient and appropriate audit evidence to form an appropriate opinion.

#### 2.1.2 The U.S. Environment

Regarding the U.S. environment, the Securities and Exchange Commission (SEC) issued a joint statement with the Public Company Accounting Oversight Board (PCAOB) addressing the potential effects of COVID-19 on companies' accounting disclosures. Likewise, the UK Financial Reporting Council (FRC) published guidance for companies on disclosing risks and the impacts of the COVID-19 pandemic on the financial reporting process.

During the pandemic, professional organizations worldwide recognized that publicly listed companies might face difficulties meeting deadlines for preparing and submitting their financial reports within prescribed timeframes. These deadlines varied from country to country due to the challenges arising from the COVID-19 outbreak. Consequently, professional bodies and regulatory authorities announced extensions for the submission deadlines of financial reports.

Here, we emphasize the auditor's role in assessing the company's ability to continue as a going concern, as the external auditor's report provides confidence and reliance on the financial statements, being issued by an independent and professionally qualified party. However, the external auditor bears primary responsibility if any negligence or shortcomings are proven in the professional duties entrusted to them, highlighting the significant responsibility carried by the external auditor.

The researchers believe that if the pandemic situation persists, auditors will be required



to perform additional audit procedures to assess the appropriateness of the going concern assumption, impairment of assets, and the accuracy of accounting estimates, including fair value estimates. These estimates may result from the direct impact of the pandemic or the indirect effects of uncertainty surrounding the business environment and other economic expectations. Additionally, auditors must consider the magnitude of the current and future impacts of the virus spread on cash flows, company performance, and financial position.

## **2.2 Regulatory Responses from Various Countries to COVID-19**

Examples of regulatory responses from several countries to the spread of the COVID-19 pandemic include:

### **2.2.1 United States of America**

The U.S. Securities and Exchange Commission (SEC), responsible for overseeing securities regulation, announced on March 4, 2020, that publicly listed companies would be granted an additional 45 days to disclose the immediate and potential impacts of the COVID-19 outbreak on their operations, financial position, and cash flows. The original reporting deadline was between March 1 and April 30 of that year.

### **2.2.2 Measures in China**

The China Securities Regulatory Commission (CSRC) also announced that auditing firms facing difficulties completing their work on time could apply for an extension of the financial statement publication deadline.

Similarly, the Hong Kong Exchange (HKEX) required companies to report if they were unable to release preliminary results on time, to disclose the extent of the impact of the virus and its consequences on the financial information and reports for the current financial period, and to indicate whether any adverse effects impacted the completeness, presentation, and accuracy of the information.

### **2.2.3 Measures Taken by Japan**

The Japanese Financial Services Agency (FSA) announced that companies could postpone the completion of their financial reports if additional time was required due to the pandemic. The Tokyo Stock Exchange also introduced specific plans allowing companies affected by the pandemic to delay the publication of annual earnings reports and other financial statements. Additionally, companies were required to disclose any potential impacts of the pandemic on their business results, financial position, and cash flows.

The Singapore Exchange joined the practical measures by announcing that affected companies could request an extension of up to two additional months to hold their annual general meetings to approve final results. South Korea approved a 45-day extension for companies and auditors to complete their reporting obligations. Taiwan also announced extensions granted individually to companies based on the severity of their pandemic-related impacts.

### **2.2.4 Measures in the Arab Republic of Egypt**

At the Arab level, Egypt, represented by the Financial Regulatory Authority, issued a series of decisions regarding disclosure deadlines. The deadline for disclosing the board of directors' report was extended by one month, making the final date April 30, 2020. The authority also instructed companies to communicate with it if they faced any difficulties related to precautionary measures imposed by the government to control the spread of the pandemic.

Among the financial and regulatory responses to the COVID-19 situation, Deloitte issued two papers: the first, on March 10, 2020, addressed *"The Impact of COVID-19 on Financial Reporting Considerations,"* and the second, published on March 25, 2020, discussed *"Financial Reporting Considerations Related to COVID-19 and Economic Contraction."*

A key recommendation from these guidelines was the necessity of ongoing communication between company management and auditors to identify and address challenges faced during the audit process promptly. One major challenge auditors encountered was travel restrictions due to the pandemic, which prevented auditors from performing essential audit procedures, resulting in insufficient audit evidence to form an opinion on transactions conducted at branches located in affected regions.

The researchers identified the following main points from studying the COVID-19 phenomenon:

- The extent to which auditors have the necessary qualifications to handle changes in the business environment.
- The adequacy of auditing standards in providing guidance that enables auditors to express opinions under difficult and complex conditions accompanied by a high level of uncertainty.
- The capacity of audit firms to review their quality control policies and procedures related to the guidance and supervision of audit teams and their work.
- The crisis reveals the level of companies' commitment when preparing financial reports.
- The adequacy of accounting standards in providing sufficient guidance for financial report preparers.
- The ability of companies, through their management, to appropriately apply professional judgment and estimates.
- The extent of companies' commitment to protecting the interests of shareholders and investors.

## Results and Discussion

1. The stable operation of commercial banks relies mainly on the resource base formed at the expense of deposits. In 2020, the ratio of deposits to bank liabilities in commercial banks was 45.05%, but in 2021 it decreased to 37.2% [8], [9], [10]. In 2022, this indicator recovered to 45.4%, but in 2024 it fell again to 43.5%.

The main problems in improving deposit policy are:

- Low public confidence in the banking system;
- Interest rates below inflation;
- Insufficient flexibility of existing deposit products;
- Uneven interbank competition;
- Low customer awareness.

As of June 2025, deposit interest rates in banks range from 19% to 27%. The highest rate is offered by TBC Bank (27%). Most banks have interest rates around 21–23%, but there is no possibility of partial replenishment and withdrawal among them.

Grouping of banks by rates:

- High interest (23–27%): TBC, Xalq Bank, Anorbank
- Medium interest (21–22%): Agrobank, Asia Alliance, Trustbank
- Low interest (19–20%): Asakabank, Ziraat Bank

High interest rates are perceived by customers as a source of trust and income. At the same time, flexibility - that is, the ability to partially add money to the deposit or withdraw funds - is an important factor for customers [11], [12].

In developed countries, deposits account for 60–70% of bank liabilities. This is influenced by several factors:

- State guarantee of deposits;
- High interest rates and real profitability;
- Development of digital banking services;
- High financial literacy of the population.

For example, in Germany, 95% of savings deposits are guaranteed; in South Korea, additional bonuses are offered to interest rates. In Uzbekistan, deposit resources can be increased by adapting these experiences to local conditions [13].

Proposals and recommendations

Based on the study, the following practical proposals are put forward:

- a. Aligning interest rates with the real inflation rate - it is necessary to ensure real positive profitability for customers.
- b. Expanding flexible deposit products - increasing the possibility of partial withdrawals and replenishment [14], [15].
- c. Strengthening the support of deposits with state guarantees - increasing customer confidence.
- d. Strengthening healthy interbank competition - through products designed for

different segments.

- e. Developing digital services for deposits - providing services through mobile applications, online management and chatbots.
- Question No. (8), which represents (The auditor must recalculate management's estimates to verify their accuracy), shows that (81.6%) of the sample responded with (Agree), meaning the auditor should recalculate to ensure the accuracy of estimates.
- Question No. (1), which represents (The auditor must reassess audit risks due to the pandemic), shows that (80.8%) of the sample responded with (Agree), indicating the auditor should reassess risks due to the pandemic.
- Question No. (4), which represents (The auditor's use of modern technology (video feature) for inventory counting by filming the serial number of devices is a sufficient and alternative method to physical inventory), shows that (77%) of the sample responded with (Agree), indicating that video technology can be used for inventory counting due to pandemic restrictions preventing access to storage locations.
- Question No. (9), which represents (The economic unit's delay in paying its debts is considered a sign or indicator of non-continuity), shows that (75.4%) of the sample responded with (Agree), meaning the auditor must consider the unit's ability to repay debts during the pandemic and thus its continuity.
- Question No. (10), which represents (The auditor may change their opinion in the audit report due to the pandemic or due to shortages in labor and raw materials), shows that (74.6%) of the sample responded with (Agree), indicating the possibility of changing the auditor's opinion due to pandemic-related shortages.

Question Number	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Sample Size	Arithmetic Mean	Standard Deviation	Percentage	Sample Trend	Question Rank
12	27	12	5	2	2	48	4.25	1.07	85	Strongly Agree	1
8	23	15	3	5	2	48	4.08	1.15	81.6	Agree	2
1	20	18	5	2	3	48	4.04	1.12	80.8	Agree	3
4	20	12	8	5	3	48	3.85	1.24	77	Agree	4
9	14	18	8	7	1	48	3.77	1.08	75.4	Agree	5
10	18	13	9	2	6	48	3.73	1.33	74.6	Agree	6
13	17	13	8	7	3	48	3.71	1.26	74.2	Agree	7
6	20	10	3	11	4	48	3.65	1.42	73	Agree	8
5	15	12	8	12	1	48	3.58	1.22	71.6	Agree	9
3	12	17	6	8	5	48	3.48	1.31	69.6	Agree	10
11	6	12	12	2	16	48	2.79	1.44	55.8	Neutral	11
7	12	2	12	7	15	48	2.77	1.54	55.4	Neutral	12

- Question No. (13), which represents (The auditor must modify their report to highlight important matters occurring after the audit report's completion), shows that (74.2%) of the sample responded with (Agree), supporting the modification of the audit report due to the pandemic to highlight reasons.
- Question No. (6), which represents (The auditor can rely on written representations from management to verify the accuracy of financial statement components), shows that (73%) of the sample responded with (Agree), indicating that management's written representations can verify the accuracy of financial components.



- Question No. (5), which represents (An internal control employee can be assigned to hold the camera during inventory counting amid the pandemic), shows that (71.6%) of the sample responded with (Agree), supporting the assignment of an internal control employee to assist in inventory counting by handling the camera.
- Question No. (3), which represents (The auditor can rely on sales and purchase documents after the last physical inventory as evidence for the accuracy of asset recording), shows that (69.6%) of the sample responded with (Agree), supporting reliance on post-inventory sales and purchase records for asset verification.
- Question No. (11), which represents (There are significant problems related to group auditors' work, especially branches located in areas severely affected by the virus outbreak), shows that (55.8%) of the sample responded with (Neutral), indicating neutrality regarding problems with auditing branches in affected areas.
- Question No. (7), which represents (The auditor can engage a group of auditors to verify financial statement components), shows that (55.4%) of the sample responded with (Neutral), indicating neutrality on involving other auditors for verification.
- Question No. (2), which represents (The auditor can conduct physical inventory counting amid the pandemic), shows that (49.2%) of the sample responded with (Disagree), indicating disagreement on conducting physical inventory due to the pandemic.

**Table 2. Represents the descriptive statistics for the first axis as a whole.**

Sample Direction	Percentage	Standard Deviation	Arithmetic Mean
Agree	71	1.39	3.55

The table was prepared by the researchers relying on the Arabic Statistical Analysis Program (ABSS).

From Table 2, it is noted that 71% of the sample responses tended towards agreement on the questions of the first axis, with a standard deviation of (1.39), which is considered good compared to the critical value of standard deviation for a sample size of (48) at a significance level of (0.05).

#### **Descriptive statistics for the second axis:**

**Table 3. Represents the descriptive statistics for the second axis.**

Question Number	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Sample Size	Arithmetic Mean	Standard Deviation	Percentage	Sample Trend	Question Rank
3	22	17	6	1	2	48	4.17	1.01	83.4	Agree	1
2	19	13	9	6	1	48	3.9	1.12	78	Agree	2
9	22	8	10	3	5	48	3.81	1.35	76.2	Agree	3
11	20	11	8	3	6	48	3.75	1.38	75	Agree	4
13	14	17	10	1	6	48	3.67	1.26	73.4	Agree	5
8	13	13	10	6	6	48	3.44	1.34	68.8	Agree	6
12	11	18	4	7	8	48	3.35	1.41	67	Neutral	7
1	8	13	18	5	4	48	3.33	1.12	66.6	Neutral	8
5	11	9	12	9	7	48	3.17	1.36	63.4	Neutral	9

4	10	13	4	11	10	48	3.04	1.47	60.8	Neut ral	10
10	16	4	7	6	15	48	3	1.67	60	Neut ral	11
7	10	15	2	6	15	48	2.98	1.59	59.6	Neut ral	12
6	4	12	15	9	8	48	2.9	1.19	58	Neut ral	13

The table was prepared by the researchers relying on the Arabic Statistical Analysis Software (ABSS).

#### Qualitative Analysis for the Second Axis:

From Table 3, we find the following:

- Question No. (3), which represents "It is the auditor's duty to reassure users about the accuracy of the information disclosed by the economic unit," shows that (83.4%) of the sample responded with "Agree," indicating that the auditor's responsibility is to confirm the accuracy of the financial statements and thereby reassure users.
- Question No. (2), which represents "Due to the spread of the pandemic, auditors develop doubts about the continuity of economic units," shows that (78%) of the sample responded with "Agree," meaning that the pandemic can threaten the existence of the economic unit.
- Question No. (9), which represents "The auditor must exercise a high degree of professional judgment throughout all stages of the audit process to overcome the high level of uncertainty accompanying the pandemic," shows that (76.2%) of the sample responded with "Agree," indicating the auditor should apply more professional judgment during the pandemic.
- Question No. (11), which represents "The auditor will face many challenges when assessing the implications of the going concern assumption on the audit report due to the material impact of pandemic-related events on the economic unit's performance, financial position, and cash flows," shows that (75%) of the sample responded with "Agree," indicating significant problems accompany the pandemic, notably regarding the going concern assumption.
- Question No. (13), which represents "The auditor should seek assistance from valuation experts regarding new circumstances resulting from the pandemic where sufficient expertise is lacking within the audit team," shows that (73.4%) of the sample responded with "Agree," highlighting the necessity of expert assistance in such circumstances.
- Question No. (8), which represents "Economic unit management and financial market regulators should provide auditors with adequate time to perform their work amid the logistical and operational difficulties caused by the pandemic," shows that (68.8%) of the sample responded with "Agree," indicating support for allowing more time for audit completion due to the pandemic.
- Question No. (12), which represents "The auditor must maintain continuous communication with the economic unit's management and governance officials regarding the assessment of the impact of the evolving pandemic (COVID-19) on the entity's financial reports early before starting the audit process," shows that (67%) of the sample responded with "Neutral," reflecting uncertainty about the possibility of such communication to monitor pandemic developments.
- Question No. (1), which represents "The audit process can be affected by disasters and crises," shows that (66.6%) of the sample responded "Neutral" regarding the impact of the pandemic on the audit process.
- Question No. (5), which represents "The auditor should modify audit procedures due to the spread of the pandemic," shows that (63.4%) of the sample responded "Neutral" regarding adjusting audit procedures because of the pandemic.
- Question No. (4), which represents "The pandemic affects the previously available information relied upon for audit planning," shows that (60.8%) of the sample

responded "Neutral" regarding the effect on information before and after the pandemic.

- Question No. (10), which represents "The auditor will face many challenges when assessing the impact of subsequent events related to the pandemic on the financial statements and whether such events require adjustment of the amounts reported or additional disclosure," shows that (60%) of the sample responded "Neutral" regarding subsequent events and their need for adjustment or disclosure in the financial statements.
- Question No. (7), which represents "There is a need to reconsider developing the scientific and practical qualifications of auditors to align with the audit requirements amid the difficult and complex environment accompanying the pandemic," shows that (59.6%) of the sample responded "Neutral" regarding the scientific and practical qualification of the audit staff.
- Question No. (6), which represents "The audit team develops new mechanisms when comparing expected future information with actual results," shows that (58%) of the sample responded "Neutral" regarding the possibility of the audit team developing new mechanisms when comparing expected and actual financial information.

**Table 4. Represents the descriptive statistics for the second axis as a whole.**

Sample Direction	Percentage	Standard Deviation	Arithmetic Mean
Agree	68,4	1.4	3.42

The table was prepared by the researchers relying on the Arabic Statistical Analysis Program (ABSS).

From Table 4, it is found that 68.4% of the sample responses were in agreement regarding the questions of the second axis, with a standard deviation of (1.4), which is considered good compared to the critical value of the deviation for a sample size of (48) at a significance level of (0.05).

Through the practical aspect, the researchers concluded the confirmation of the main hypothesis (the existence of an effect of the pandemic outbreak on the auditing process), as well as confirmation of the first sub-hypothesis, which is the existence of an effect of the pandemic outbreak on the auditor's ability to audit in locations affected by the outbreak, and the second sub-hypothesis, which is the urgent need for modern mechanisms that enable the auditor to complete their work during the pandemic outbreak.

## Conclusions

The researchers reached a set of conclusions as follows:

1. The outbreak of the pandemic has many effects, including its impact on auditing.
2. The pandemic outbreak affects the continuity of economic units.
3. The pandemic outbreak affects the ability of units to fulfill their obligations.
4. In light of the pandemic outbreak, users of accounting information need assurance to guide their investments toward important projects.
5. Auditing tasks become more difficult during the pandemic outbreak.
6. There is an urgent need for modern mechanisms that enable the audit team to perform their work effectively.

## Recommendations

Based on the conclusions reached, the researchers recommend the following:

1. The auditor must ensure the assumption of the unit's continuity.
2. The necessity of recalculating management's estimates.
3. Verifying the units' ability to fulfill their obligations.
4. Adding a paragraph in the auditor's report if there is any matter threatening the future of investment in the unit.
5. The necessity of involving highly qualified auditors during this circumstance.
6. The necessity of using modern mechanisms, whether those proposed by the researchers or others, to overcome the situation and reach a professional opinion reflecting the accuracy of accounting information.

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