


**ACTIVATING AUDITING PROCEDURES OVER GOVERNMENT FINANCIAL REPORTS
THROUGH THE MEDIATING ROLE OF A PROPOSED AUDIT PROGRAM**

Waad Hadi Abd^A, Bushra Hassan Mohamed El-Toby^B, Akeel Dakheel Kareem^C



ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received 31 January 2023</p> <p>Accepted 28 April 2023</p>	<p>Purpose: The aim of this study is to preparation of a proposed audit program that includes effective audit procedures in which financial irregularities are identified.</p>
<p>Keywords:</p> <p>Government Financial Reports; Audit Procedures; Audit Program; Financial Control; Compliance Control.</p>	<p>Theoretical Framework: The shed light on the conceptual aspect of the procedures for controlling government financial reports .and definitional The objective of the government financial reporting process is for the purpose of translating economic events in government institutions into numbers so that they can be understood when presented to users of accounting information in order to assist them in making current and future decisions. Thus, this information may face some obstacles and limitations that prevent the accounting measurement from being provided in an appropriate manner, as well as make the credibility far from the goal that the accounting measurement.</p>
	<p>Design/Methodology/Approach :The inductive method was relied upon in defining the research problem by observing that activating auditing procedures through a proposed auditing program on government financial reports ensures the accuracy and fairness of the financial statements for the transition from the general to the private, as well as relying on the deductive method for the transition from the private To the public by presenting the audit procedures according to the proposed program and disseminating the results that can be reached from the audit of government financial reports in the Iraqi environment .</p>
	<p>Findings: The results Ascertaining the risks of material errors in auditing government financial reports, as the higher the risks, the greater the amount of evidence that the auditor must obtain. As well as the process of making sure that the trial balance is prepared according to the government accounting system applied in the government economic entity and correcting errors in the financial reports in a timely manner that helps its users to make economic decisions.</p>
	<p>Research Practical & Social implication: The study With the possibility of the oversight and audit plan being exposed to any changes during the process of ensuring the accuracy and fairness of government financial reports, the auditor should carry out a flexible audit program that responds to any changes that may occur during the audit process according to the limits of the scope of the if it is complete auditing. The program must include the necessary steps for its implementation, and if it is partial auditing, the program must be prepared within the limit of that.</p>
	<p>Implications/Originality/Value: The value of the study Government financial reports provide useful information for the parties involved in managing the state's financial resources, whether in the present or future, in order to guide them in making their decisions at the state level and at the level of other government institutions. Doi: https://doi.org/10.26668/businessreview/2023.v8i5.1562</p>

^A Assistant Professor. Doctor. Department of Accounting, College of Administration & Economics, Al-Muthanna University, Iraq. E-mail: Waad1985@mu.edu.iq Orcid: <https://orcid.org/0000-0003-1978-154>

^B Lecturer. Department of Accounting, College of Administration & Economics, Al-Muthanna University, Iraq. E-mail: Boshra.hassan@mu.edu.iq Orcid: <https://orcid.org/0000-0003-0311-5391>

^C Assistant Professor. Doctor. Department of Accounting, College of Administration & Economics, Al-Muthanna University, Iraq. E-mail: Aqeel2017@mu.edu.iq Orcid: <https://orcid.org/0000-0002-3151-6830>

ATIVAR PROCEDIMENTOS DE AUDITORIA SOBRE RELATÓRIOS FINANCEIROS DO GOVERNO POR MEIO DO PAPEL DE MEDIADOR DE UM PROGRAMA DE AUDITORIA PROPOSTO

RESUMO

Objetivo: O objetivo deste estudo é a elaboração de uma proposta de programa de auditoria que inclua procedimentos de auditoria eficazes em que sejam identificadas irregularidades financeiras. Referencial Teórico: Lançar luz sobre o aspecto conceitual dos procedimentos de controle dos relatórios financeiros do governo. aos usuários da informação contábil, a fim de auxiliá-los na tomada de decisões atuais e futuras. Assim, essas informações podem enfrentar alguns entraves e limitações que impedem que a mensuração contábil seja prestada de forma adequada, bem como tornam a credibilidade distante do objetivo que a mensuração contábil.

Design/Metodologia/Abordagem: O método indutivo foi utilizado na definição do problema de pesquisa, observando que a ativação de procedimentos de auditoria por meio de um programa de auditoria proposto sobre relatórios financeiros do governo garante a precisão e a justiça das demonstrações financeiras para a transição do geral para o privado, além de contar com o método dedutivo para a transição do privado para o público, apresentando os procedimentos de auditoria de acordo com o programa proposto e divulgando os resultados que podem ser alcançados com a auditoria dos relatórios financeiros do governo no ambiente iraquiano.

Constatações: Os resultados Apuração dos riscos de erros materiais na auditoria de relatórios financeiros do governo, pois quanto maiores os riscos, maior a quantidade de evidências que o auditor deve obter. Bem como o processo de assegurar que o balancete seja preparado de acordo com o sistema de contabilidade do governo aplicado na entidade econômica do governo e corrigir erros nos relatórios financeiros em tempo hábil que ajude seus usuários a tomar decisões econômicas.

Implicações práticas e sociais da pesquisa: O estudo Com a possibilidade de o plano de supervisão e auditoria ser exposto a quaisquer alterações durante o processo de garantia da precisão e imparcialidade dos relatórios financeiros do governo, o auditor deve realizar um programa de auditoria flexível que responda a quaisquer alterações que pode ocorrer durante o processo de auditoria de acordo com os limites do escopo da auditoria se for completa. O programa deve contemplar as etapas necessárias para sua implementação, e se for auditoria parcial, o programa deve ser elaborado dentro do limite desta.

Implicações/Originalidade/Valor: O valor do estudo Os relatórios financeiros do governo fornecem informações úteis para as partes envolvidas na gestão dos recursos financeiros do estado, seja no presente ou no futuro, a fim de orientá-los na tomada de decisões no nível estadual e no o nível de outras instituições governamentais.

Palavras-chave: Relatórios Financeiros do Governo, Procedimentos de Auditoria, Programa de Auditoria, Controle Financeiro, Controle de Compliance.

ACTIVACIÓN DE PROCEDIMIENTOS DE AUDITORÍA SOBRE LOS INFORMES FINANCIEROS DEL GOBIERNO A TRAVÉS DEL PAPEL MEDIADOR DE UN PROGRAMA DE AUDITORÍA PROPUESTO

RESUMEN

Propósito: El objetivo de este estudio es la preparación de una propuesta de programa de auditoría que incluya procedimientos de auditoría efectivos en los que se identifiquen las irregularidades financieras. Marco teórico: El arrojar luz sobre el aspecto conceptual de los procedimientos para el control de los informes financieros del gobierno y definitorio El objetivo del proceso de información financiera del gobierno es el propósito de traducir los eventos económicos en las instituciones gubernamentales en números para que puedan ser entendidos cuando se presentan a los usuarios de la información contable con el fin de asistirlos en la toma de decisiones actuales y futuras. Así, esta información puede enfrentar algunos obstáculos y limitaciones que impiden que la medición contable sea brindada de manera adecuada, así como alejan la credibilidad del objetivo que persigue la medición contable.

Diseño/Metodología/Enfoque: Se confió en el método inductivo para definir el problema de investigación al observar que la activación de los procedimientos de auditoría a través de un programa de auditoría propuesto sobre los informes financieros del gobierno garantiza la precisión y equidad de los estados financieros para la transición de lo general a lo privado, así como apoyarse en el método deductivo para la transición de lo privado a lo público presentando los procedimientos de auditoría según el programa propuesto y difundiendo los resultados a los que se puede llegar de la auditoría de los informes financieros gubernamentales en el entorno iraquí.

Hallazgos: Los resultados Determinar los riesgos de errores materiales en la auditoría de los informes financieros del gobierno, ya que a mayor riesgo, mayor cantidad de evidencia que debe obtener el auditor. Así como el proceso de asegurarse de que el balance de comprobación se elabore de acuerdo con el sistema de contabilidad

gubernamental aplicado en la entidad económica gubernamental y corregir errores en los informes financieros de manera oportuna que ayude a sus usuarios a tomar decisiones económicas.

Implicaciones prácticas y sociales de la investigación: el estudio Con la posibilidad de que el plan de supervisión y auditoría esté expuesto a cualquier cambio durante el proceso de garantizar la precisión y equidad de los informes financieros del gobierno, el auditor debe llevar a cabo un programa de auditoría flexible que responda a cualquier cambio. que pueden ocurrir durante el proceso de auditoría de acuerdo con los límites del alcance de la auditoría si es completa. El programa debe incluir los pasos necesarios para su implementación, y si se trata de una auditoría parcial, el programa debe prepararse dentro del límite de eso.

Implicaciones/Originalidad/Valor: El valor del estudio Los informes financieros gubernamentales brindan información útil para los actores involucrados en el manejo de los recursos financieros del estado, ya sea en el presente o en el futuro, con el fin de orientarlos en la toma de sus decisiones a nivel estatal y a nivel estatal. el nivel de otras instituciones gubernamentales.

Palabras clave: Informes Financieros Gubernamentales, Procedimientos de Auditoría, Programa de Auditoría, Control Financiero, Control de Cumplimiento.

INTRODUCTION

The objective of preparing government financial reports is for the purpose of translating economic events in government institutions into numbers so that they can be understood when presented to users of accounting information in order to help them make current and future decisions. Thus, this information may face some obstacles and limitations that prevent the accounting measurement from being provided in an appropriate manner, as well as make the credibility far from the goal that the accounting measurement aims at. (Guia & Dantas, 2019) As these determinants occur as a result of a state of doubt about finding a relationship between current and future economic events, and that the process of preparing and writing various types of government financial reports requires the external auditor (the Federal Board of Supreme Audit) to organize the presentation of information, data and notes that will be included in the government financial report As well as the results he reached through the process of auditing that he carried out, in addition to that the process of organizing this report is in accordance with the foundations and rules of the profession of auditing generally accepted, because this report represents the most important documents issued by the external audit (the Federal Supreme Audit Council). Zulfa R. (2019). for being the last link for the task of auditing the accounting records and financial statements of government economic entities for being the last link for the task of audit the accounting records and financial statements of government economic entities . It is the means by which the external auditor expresses his technical opinion and judgment on the regularity of books and records and the soundness of the procedures taken by the administration in preparing government financial reports. Thus, the research problem can be formulated in light of the following questions: Does government compliance audit have an impact on the fairness and credibility of government financial reports? Does government

financial audit have an impact on the fairness and credibility of government financial reports? Does government performance audit affect the fairness and credibility of government financial reports? Is there an effect on activating the oversight and audit procedures for the fairness and credibility of government financial reports through the mediating role of a proposed monitoring program? By shedding light on the conceptual and definitional aspect of the oversight procedures on government financial reports with the preparation of a proposed audit program that includes effective audit procedures that ensure the proof of the research hypothesis that the possibility of activating the oversight procedures on government financial reports through the preparation of a proposed audit program.

LITERATURE REVIEW

First: the concept of financial auditing procedures: Before study the concept of government financial control procedures, it is necessary to learning the concept of government financial control as that control that aims to ensure the proper use of public money wherever it is in accordance with the objectives of government institutions and focuses mainly on records, financial books, documents, contracts, documents and the restrictions that reinforce it (Harrington , Smith , & Trippeer, 2012). This is done with the aim of making sure that the legal and Formalism conditions are taken into account in their organization, and the extent of their transparency, in a manner that enables the extraction of the required accounts, final statements, and financial reports, as it is the rationale for questioning the bodies subject to control and auditing (public sector institutions) in order to ensure the effective use of public resources to enhance and delivering public services, good governance and sustainable development, increasing citizen responsiveness and transparency. (Abd, Kareem , & Dakheel, 2019). Following the presentation of a After presenting a concept of government financial control, a concept of government financial control procedures can be presented, which includes verifying the extent to which the numbers of the consolidated state's financial reports correspond to the subsidiary financial accounts in other government institutions, identifying the results and following up the difference in numbers and financial irregularities, as well as verifying the consistency of the final account numbers. The state with the allocations of the state's general budget in light of the rules for preparing the final accounts and the laws and decisions issued according to the state. It also means analyzing the results of implementing the operational and investment budgets combined to reach the net deficit or surplus by comparing the estimated appropriations for expenditures in the state's general budget with the actual numbers thereof,

and stating the reasons for the increase and decrease in the predetermined financial appropriations. From another point of view, it means studying the appropriations estimated for public revenues in the general budget with the actual numbers of revenues collected and a statement of the net decrease or increase and the effect of that on the general and net deficit, as well as analyzing the numbers, counting the results and analyzing all the financial data in the light of the economic and financial variables to extract indicators and present them to the relevant authorities. Relationship, (Kareem, Jabr, & Abd, 2022) And that the one who prepares the final account for the state is the Ministry of Finance and then sends it to the (the Federal Board of Supreme Audit) to express its opinion on the results of implementing the general budget and after making the legal adjustments required by the Supreme Audit Institution, the consolidated final account is presented to the legislative authority in the country for study and approval in its final form . (Mohamed El-Toby, Abd, & Kareem, 2022)

Second: The concept and objectives of government financial reports:

The concept of financial reports is the financial statement provided with appropriate disclosure so that it is understandable and does not lead to misinterpretation and includes information received that is important in achieving the purposes of all the different parties that have different interests. And the general purpose of government financial reports is to provide all financial information to assist in making economic, social and political decisions by the legislative and executive authorities of the state, (Diamond, 2002). The quality of government financial reports depends on the type of government accounting system applied as well as government accounting standards implemented, as this is due to the availability of a financial accounting system It makes it easier for users of the accounting system to process financial data and work in accordance with government accounting standards, (Donelson, Ege, & McInnis, 2017) .Also, one of the factors for measuring the quality of government financial reports is the extent to which they contribute to improving the quality of economic decision-making efficiently and effectively in public spending by relying on the accuracy and transparency of disclosed financial information. The quality of reports is known. It is the honesty in reporting information related to the disclosure of all transactions and information about the choice of accounting policies, as well as other non-financial information that has an impact on the direction of decision-making, whether for external or internal users of these reports. And that the most important thing that confirms the quality of financial reports is the provision of qualitative characteristics of accounting information, so omission or non-disclosure of these

characteristics makes the financial report misleading, and does not give information that reflects all aspects that constitute the value of the enterprise; Which affects the decisions of those addressed in the financial reports, which represent the main source of information for the various decision-makers. Thus, the most important objectives of government financial reports can be stated : (Daujotaitė & Mačerinskienė, 2008)

- 1- Government financial reports provide useful information for those concerned with managing the state's financial resources, whether in the present or future, in order to guide them in making their decisions at the country level and at the level of other government institutions.
- 2- Government financial reports provide information on the available economic resources, the obligations based on these resources, and the country net resources.
- 3- Government financial reports provide useful information for evaluating the performance of high-ranking ministers and managers in government institutions. (Zavalko, Panina, & Kovalev, 2017)
- 4- Government financial reports provide useful information to identify the sources of obtaining cash (cash liquidity) in the country.
- 5- Government financial reports provide numerous indicators on the protection of public funds and the proper use of the country financial resources.
- 6- Impact of auditing and disclosure.
- 7- The ability of stakeholders (donors and investors) to monitor managers effectively.
- 8- The main objective of government financial reports is to reduce information inconsistency between the various stakeholders and the entity subject to auditing.

Third: Categories benefiting from government financial reports:

Legislative authority: Government financial reports contribute to assisting the legislative authority in future planning and approving plans for upcoming public financial budgets, as well as monitoring the performance of the executive authority on the extent of its compliance with laws, regulations and legislation, and holding it accountable for any deviations of any size , (Badara, 2013)

- Executive Authority: This category needs public periodic government financial reports to help it in drawing up policies and making decisions as well as assisting it in evaluating the efficiency of performance of activities and employees. Among the most important executive authorities is the Ministry of Finance and Planning, and in some

cases the Central Bank. Follow-up developments in the economy and more closely follow-up changes in revenues, expenditures, and debt in order to evaluate the efficiency of the performance of government institutions, long- and short-term planning, achieve self-monitoring of their activities, and correct deviations. By examining the final accounts, examining the reports of the internal auditors, ensuring their validity, and monitoring their implementation of the general budget in the form . (Ali, Abd , & Kareem, 2022)

- Society: Citizens are interested in government financial reports that help them make decisions about personal finance, as they include multiple categories such as taxpayers, voters, service recipients, the public in general, media agencies, and academic researchers.
- Investors and lenders: Existing and prospective investors are interested in government financial reports in order to reach indicators that convince them to make various investments, to take investment and credit decisions, and other such decisions in a rational manner.

Fourth: Types of Government Financial Control

In terms of its independence Internal financial control in government institutions: This is the type of control that takes place from within the executive authority over the institutions affiliated to it, such as the minister's control over his ministry or the departments and institutions affiliated to him, as well as the control of the Council of Ministers over the state's ministries and agencies, and its independence is partially because the workers in this The type of control is administratively and financially linked to the head of the entity subject to oversight .External control (The Federal Board of Supreme Audit): (Abbas, Abd, & Kareem, 2020)

It is the control carried out by external parties that do not follow the executive authority, enjoying financial and administrative independence from the entity subject to audit, and the aim of its procedures is to reach a neutral technical opinion on the fairness of the final accounts and the results of their implementation for the relevant financial period. It is carried out by an external party, whether it is individuals, groups, or private or governmental organizations. Subsequent control is the basic method by which external financial control is practiced, whatever the form of the control system taken by the control body, whether judicial or administrative, and it takes place after the occurrence of the financial incident. It means that the acts issued by the executive authority are subject to the oversight of the legislative authority.

Parliamentary oversight is the main control that works to ensure that implementation has been carried out in accordance with what was authorized by Parliament, as it follows up on the actions of the executive authority, studies and evaluates them, and makes sure of their conformity with the rules and laws in force and their suitability to contemporary reality and conditions, and then be endorsed or held accountable, (Simunic, Ye, & Zhang, 2017).

Financial control: which is the traditional oversight that is limited to auditing accounts and the extent of implementation of the budget plan. It is purely arithmetic audit aimed at discovering errors or financial deviations during a short period of their occurrence and thereby contributing to remediation, treatment and non-continuation. This oversight takes the form of inspection or follow-up of the implementation of financial operations , (Hay, Knechel, & Ling, 2008).

Performance control: which is a type of control that is not limited to the mathematical aspect or to ensure the legality of the administration's work, but rather aims to evaluate the government activity itself, the extent to which the budget objectives are achieved, and thus the extent to which the economic and social goals of society are achieved. It is an objective examination that diagnoses policies, systems, and operations management in the entities subject to audit, and compares achievement with plans, results with standards, and practice with policy, in order to detect negative and positive deviations and explain their causes. The performance control process is one of the most important administrative functions that a government economic entity must perform. It is used to measure the success of the plans that were developed in advance with the desired objectives, by comparing the actual performance with the planned performance in order to identify weaknesses and take the necessary corrective measures to address them and work to ensure that they are not repeated in the future, and to identify strengths and work to support them and generalize them to the aspects in which weaknesses appeared, which This leads to improving the performance of the economic entity by reaching the best levels of efficiency and effectiveness in the practice of its various activities. Financial measures only because these measures are no longer sufficient to give a clear and comprehensive picture Performing the activities of the economic entity, (Ebrahim, 2014)

Compliance control : It the control that is concerned with the extent to which the administration's actions conform to the law in its general and broad sense, that is, the actions and actions taken by the executive authority do not enjoy the protection of the law, and they have no value unless they are compatible with the rules in force, as it is seen as the oversight carried out by the organs government for the purpose of ensuring the proper use of public funds,

and this control is represented in reviewing documents and monitoring performance, whether it is internal or external control, and whether it is before, after or during implementation. The auditor should enjoy impartiality, independence, and commitment to the duty of professional secrecy, as well as professional competence, as well as the necessary professional care and due diligence on public funds, and the adoption of scientific methods and modern technologies, which facilitate the work of those in charge of oversight to perform their work according to what is planned and required. (Al-Hassani & Al-Jabri, 2021)

Fifth: Government financial control in the Iraqi environment

Iraqi laws and legislation dealt with governmental financial control through a set of laws regulating the financial control process, such as the Public Accounting Principles Law, the Law of the Board of Financial Supervision, and others. The Federal Board of Supreme Audit conducts the following types of control and auditing, as follows : (Hayes, 2005)

Monitoring and auditing compliance: The Federal Board of Supreme Audit, by ensuring that the entity subject to auditing and auditing is committed to the instructions and directives of the legislative authority, the relevant ministries and the central government.

Monitoring and auditing Performance control and audit: The Federal Board of Supreme Audit the performance of the programs and activities performed by government entities and makes sure that the elements of effectiveness, efficiency and economy are achieved.

Financial oversight and auditing: The Federal Board of Supreme Audit expresses its opinion on the lists, statements and reports related to the business results and the financial conditions of the entities subject to auditing and indicating whether they are organized in accordance with the legal requirements and approved accounting standards and reflect the actual financial position, the result of the activity and the cash flows .

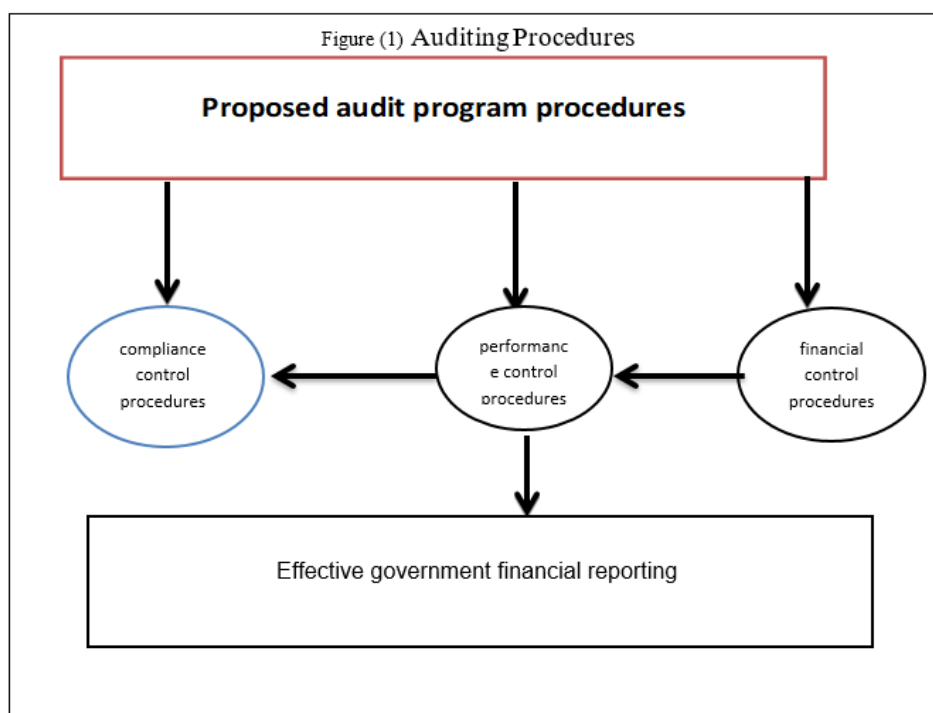
MATERIAL AND METHODOLOGY

The proposed audit program to activate auditing procedures on government financial reports:

With the possibility of the control and audit plan being exposed to any changes during the process of ensuring the accuracy and fairness of government financial reports, the auditor should carry out a flexible audit program that responds to any changes that may occur during the audit process according to the limits of the scope of the examination that he is entrusted with doing if it is complete. The program must include steps necessary for its implementation,

and if it is partial, the program must be prepared within the limits of that, and therefore the auditor must, when designing the audit program, take into account the following considerations:

- 1- Determine the desired objectives to be achieved from each of the steps included in the proposed audit program.
- 2- Follow the method of auditing that is consistent with the nature of the activity of the government economic entity, including examining the internal control system and auditing accounting books and records of evidence and
- 3- Taking into account obtaining the largest amount evidence of proof by using the various means of examination and audit.
- 4-The objectives required for each audit process and the necessary procedures and instructions for the assistants participating in the audit process to enable the auditor to achieve the proper control of the implementation of the work at the specified times .
- 5- The scope of the audit paragraph should be clearly described, the methodology, the proposed steps, and the procedures for determining the samples to be chosen by the auditor determined.
- 6- The auditor should take into account the review of the audit program in light of developments and findings. Figure 1 auditing procedures shows follows:



Source: Prepared by the authors (2023).

RESULTS AND DISCUSSION

Procedures for auditing government financial reports according to the proposed program according to the table (1) below:

Table (1) Procedures for auditing government financial reports according to the proposed program

sequences	Procedures for auditing government financial reports according to the proposed program
1	Obtaining on statements of cash balances at the end of each fiscal year in order to determine the volume of cash liquidity at the level of the state's final account, as well as ensuring the entry adjustments that take place during the period of the state's final accounts.
2	Ensuring the commitment of all entities subject to control and auditing to organizing an actual monthly cash budget for expenditures and cash revenues that occurred during the month, provided that it includes cash flows from intermediate accounts (advances and trusts) and all calculations related to the financial and mathematical aspect to indicate the position of cash liquidity.
3	Ensuring that the entity subject to auditing adheres to the volume of expenditures within the limits of expenditures for the allocations approved in the state's general budget
4	Ensuring that all revenues from its various sources are deposited in the concerned department's account opened with the relevant government bank, and it is not permissible to dispose of them or keep part of them in the administration fund under any circumstance .
5	Ensuring that the amounts of donations granted to the entities subject to control and auditing, after being accepted by the Federal Minister of Finance, are recorded as final revenue for the federal public treasury, as well as that the amounts of grants and donations provided by foreign governments and institutions under memorandums of understanding or provided by the private sector are finally entered into the public treasury.
6	Ensure the implementation rate of the total actual revenues compared to the estimated revenues for the fiscal year consisting of twelve months, in order to find out the size of the discrepancy between the planned and the actual revenue calculation in the government financial reports .
7	Ensure that the entity subject to oversight and audit prepares monthly financial reports on the implementation of its activities without exaggeration in order to determine the level of performance after it is sent to the Ministry of Finance .
8	Comparing the annual financial funding ratio with the actual revenues of the current activity in the government economy, as well as comparing the annual financial funding ratio with the financial allocations in the public budget .
9	Ensure the use of spending in accordance with the appropriations approved in the federal annual general budget, taking into account the availability of the necessary funding with the Accounting Department before spending.
10	Ensuring the process of gifting goods and services from government departments (centrally funded) to self-financing departments whose book value does not exceed an amount of (200) million dinars (two hundred million dinars) and to the Minister of Finance up to an amount of (300) million dinars (three hundred million dinars) for each case and more For this, you will obtain the approval of the (president of state) .
11	Ensure the mechanism of writing off fixed assets that are lost, damaged, or damaged for any reason, including as a result of normal use, if their book value is up to (100) million dinars (one hundred million dinars) in each case (total assets by one decision) and what exceeds that amount is within the authorization of the Minister Financial and up to (300) million dinars (three hundred million dinars) and what exceeds that amount is the authority of the (president of state) .
12	Ensure the authority of making transfers between the appropriations (service requirements, commodity requirements, asset maintenance) within the same section of the appropriations approved in the annual financial budget.
13	Ensuring the procedures for granting financial advances, and it is not permissible to grant them without the presence of a certified financial appropriation in the general budget for the fiscal year, and that the procedures for granting financial advances be minimal in order to avoid wasting funds and rationalizing spending in light of the lack of cash liquidity.
14	Ensure the existence of a maintenance program according to specific time frames, taking into account the preventive and periodic maintenance of the state's movable assets (furniture, equipment, machinery) .
15	Auditing the financial statements prepared according to the accounting principles that are commensurate with the work of the government economic entity. These financial statements mostly include (the statement of financial position, the income statement, and the cash flow statement, and it also includes a statement with the attached notes) .

16	Ensure the comprehensive examination and evaluation of the operations of the government economic entity for the purpose of informing the administration whether the various operations in the implementation were carried out in accordance with the objective policies and directly related to the objectives of the administration .
17	Auditing the efficiency of the use of material and human resources and making the necessary recommendations to address problems and ways to increase efficiency and effectiveness in performance.
18	Ensure the risks of material errors in auditing government financial reports, as the greater the risk, the greater the amount of evidence that the auditor must obtain.
19	Ensure that the trial balance is prepared according to the government accounting system applied in the government economic entity and correct misrepresentations in the financial reports in a timely manner after informing its users.
20	Ensure the possibility of comparison between the financial data extracted from the government financial reports to find out the size of the financial deviations between the years .

Source: Prepared by the authors (2023).

CONCLUSIONS

The spatial and temporal limits of the research The financial statements in the Federal Office of Financial Supervision. Governmental institutions in the Iraqi environment are subject to two types of control over public money wherever it is In terms of the authority that monitors public money, there is the control of the legislative authority which is represented by the Iraqi Council of Representatives Here this control depends on what The Federal Board of Supreme Audit provides in terms of monitoring reports on financial budgets The government and the second type of oversight which is the oversight of the executive authority, and here this oversight relies on internal auditing agencies environment and therefore the preparation of a proposed audit program includes effective audit procedures on government financial reports by diagnosing financial and accounting irregularities and the extent to which these government financial reports conform to government accounting standards.

REFERENCES

Abbas, F. H., Abd, W. H., & Kareem, A. D. (2020). The role of the internal auditor in clearing the debit and credit balances of the financial statements to improve performance An analytical study in the Directorate of Agriculture of AlMuthanna from (2016-2020). *PalArch's Journals*, pp. 19(3), 2838-2849.

Abd, w. H., Kareem , A. H., & Dakheel, A. k. (2019). Audit Program Proposal for Local Accounts Auditors: Applied Research on a Group of International Auditing Standards. *International Journal of Innovation, Creativity and Change*, pp. Volume 7, Issue 8, pp: 201–221.

Al-Hassani, W. H., & Al-Jabri, A. J. (2021). A proposed model and program for evaluating banking performance according to the international auditing standard (520) analytical procedures/applied research on a sample of commercial banks listed in the Iraqi Stock Exchange. *Tikrit Journal of Administration and Economics Sciences*, pp. Volume 17, Issue 55 part 2, Pages 60-80.

Ali, R. H., Abd , W. H., & Kareem, A. D. (2022). The role of the Federal Office of Financial Supervision in auditing industrial activity to achieve sustainable development. *World Economics & Finance Bulletin*, pp. 11, 38-48.

Asogwa, I. E. (2005). Traditional Budgeting in Today's Business Environment. *Journal of Applied Finance & Banking*, pp. 110-120.

Badara, M. (2013). Impact of the Effective internal Control System on the Internal Audit Effectiveness at Local Government Level. *Journal of Social and Development Sciences*, pp. 4(1), 16-23.

Badarna, M. S. (2013). Impact of the Effective internal Control System on the Internal Audit Effectiveness at Local Government Level. . *Journal of Social and Development Sciences*, pp. 16-23.

Braiotta, L. (2010). *The Audit Committee, Handbook, Fifth edition* , . Library of Congress Cataloging.

Daujotaitė, D., & Mačerinskienė, I. (2008, 5 16-17). DEVELOPMENT OF PERFORMANCE AUDIT IN PUBLIC SECTOR. *FINANCE ENGINEERING. 5th International Scientific Conference Business and Management, May 16-17, 2008.*, (pp. 177-185). Vilnius: Technika,.

Diamond, J. (2002, 5 1). The Role of Internal Audit in Government Financial Management. *International Monetary FWld* , pp. WPI02/94,1-35.

Donelson, D. C., Ege, M., & McInnis, J. M. (2017, 8 1). Internal control weaknesses and financial reporting fraud. *Auditing. Journal of Practice & Theory*, pp. 36 (3): 45–69.

Ebrahim, A. (2014). IFRS compliance and audit quality in developing countries: The case of income tax accounting in Egypt. *Journal of International Business Research*, pp. 13(2), 19.

Guia, L. D., & Dantas, J. A. (2019). Value Relevance Of Tax Assets In The Brazilian Banking Industry" , *Revista Contabilidade & Financas ,SciELO Brasil.*, the XVII USP International Conference in Accounting, São Paulo, SP, Brazil, July 2017 (pp. 1-17). Brazilian: 3rd version approved on 12.03.2018.

Harrington , C., Smith , W., & Trippeer, D. (2012). Deferred tax assets and liabilities: tax benefits, obligations and corporate debt policy". *Journal of Finance and Accountancy*, pp. Vol. 11, p.1–18. .

Hay, D., Knechel, W. R., & Ling, H. (2008). Evidence on the Impact of Internal Control and Corporate Governance on Audit Fees. *International Journal of Auditing*, pp. 12(1), 9-24.

Hayes, R. (2005). *Principles of Auditing*. British: Library Catalog-in-Publication.

Kareem, A. D., Jabr, A., & Abd, w. H. (2022, 9 19). The transfer of powers and its role in unifying the products of accounting systems and their impact on the quality of accounting information Applied research "in the province of Al- Muthanna. *International Journal of Professional Business Review*, pp. Vol. 7 No. 2 , 1-27.

Mohamed El-Toby, B. H., Abd, w. H., & Kareem, A. D. (2022, 11 25). ACTIVATING THE ROLE OF JUDICIAL OVERSIGHT IN IRAQ TO REDUCE THEPHENOMENON OF TAX

EVASION: FIELD RESEARCH IN THE FEDERAL OFFICE OFFINANCIAL SUPERVISION. *International Journal of Professional Business Review*, pp. Vol. 7 No. 5, 1-14.

Simunic, D. A., Ye, M., & Zhang, P. (2017). The joint effects of multiple legal system characteristics on auditing standards and auditor behavior. . *Contemporary accounting research*, pp. 34(1), 7-38.

Zavalko, N. A., Panina, o. v., & Kovalev, V. A. (2017). Improving financial control over the government system. .*Espacios*, , pp. 38(29), 15-22.

Zulfa R., R. H. (2019). The Effect Of Tax Planning And Deferred Tax Liabilities On Earns Management". *Economic and Accounting Journal*, Vol.2, No.2, .