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The Audito Role in Detecting Fundamental Faults in Economic Corporates to Reduce Investment Risks: A Survey at Nineveh Investment Commission

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Abstract

The auditor's interventions play a crucial role in advancing economic reforms and mitigating losses associated with conventional practices in economic corporates. With a vested interest in economic reform elements, auditors contribute to the formulation of comprehensive economic plans, fostering justice in wealth distribution and revenue allocation, thereby addressing unemployment issues. Economic reforms also prove instrumental in minimizing diverse investment-related losses. Heightened attention is given to confronting economic risks, influencing investment decisions in the face of challenging economic and administrative issues. These reforms yield valuable data for investment decision-makers, enabling the identification of strengths and pressures crucial for fostering effective interaction within the economic system. Such interactions, in turn, reduce various risks, including those associated with investments. Consequently, projects can optimize the efficiency of production factors, minimize stagnation and waste in production processes, and enhance production capacity to meet market demands.

Keywords: *Auditor's Role, Economic Corporates, Investment Risks, Nineveh Investment Commission.*

Introduction

Economic developments necessitated the interest in the auditor's role at the economic, administrative and financial levels as a result of exposing the economic corporates to many threats, which thus threaten the public economy and increase financial disruptions and therefore the collapse of the economy in general. In order to address the prevailing weaknesses and imbalances in government administrative units and to be in line with developments, it is necessary to have an important role for the auditor and to focus on a reliable and objective economic system in order to prepare plans for the desired process of change and reform. Corporates must work to reform their management by reducing the impact of these risks on them. The auditor's role in economic reform helps to mitigate losses resulting from the traditional methods employed in the corporates. These losses can be avoided by following scientific and logical methods in the process of measuring these risks and avoiding them according to the estimates of these potential losses and be prepared at all levels. This can be achieved through the continuous work with administrative and accounting systems, especially the technological structure, and seeking possible means to reduce costs and achieve investment returns. This leads to the necessity of attention to accounting control to develop comprehensive plans or programs for economic reform that is based on the evaluation of rules and behaviors found in the administrative system to improve and develop it relying on the future perspective of the system, maintaining the origin, renewing and developing it. This requires credible and reliable information to serve decision makers in policy-making and determine the priorities to reach highly efficient managements.

The problem of this study is represented by the existence of a clear deficiency and weakness in economic corporates when implementing investment operations. This has negatively impacted the performance of these units as it constitutes a waste of economic resources. This is because these projects are characterized by being long-term and affected by many problems and surrounded by obstacles after their implementation. Research significance lies in demonstrating the auditor's role in the economic reforms that become necessary to detect the constraints and problems experienced by economic units when implementing investment processes. The auditor is an effective instrument of strategic planning and control of corporate performance through performing reforms, identifying deficiencies and responsibilities in order to preserve and use resources appropriately to achieve their objectives.

This study aims at clarifying the auditor's role in focusing on financial and non-financial accounting information when implementing investment projects and following up the implementation process in accordance with the indicators of the existing investment plan. This study is based on one basic hypothesis that the auditor's interest in economic reform when implementing investment processes enhances corporate performance in achieving the required objectives and reduces investment risks. Two sub-hypotheses are derived from this hypothesis, as follows: There is a statistically significant relationship between auditor's responsibilities and investment risks and there is a statistically significant relationship between the detection of fundamental faults and investment risks.

Result and Discussion

Auditor's Responsibility for Detecting Fundamental Faults

When any professional association provides its services to the community, it must have the satisfaction and confidence of the individuals, groups and sectors provided with these services. This will not be possible unless the members of that association confirm that they are trustworthy by service seekers through their professional behaviors and the quality of service they provide. The professional ethics to which each professional association is committed has a great importance in obtaining the satisfaction and confidence of those who are served as being code of honor for the profession whose members are committed to when performing their professional performance. The profession of auditor is considered one of the professional associations governed by ethical principles and composed of independence, honesty, objectivity and integrity. Those professional ethics of auditing are to be adhered to by any member of auditing association at a minimum [1].

The Audit Standards Board (ASB) should audit and modify the auditors' responsibilities for detecting false financial reports. Hence, this requires the auditor to: Take positive actions in each auditing process to assess the possibility of false financial reports; Design tests to give reasonable assurances on detecting such reports, if any; Undertake actions, such as improving the quality of auditing. And i nvolve those who are not members of the profession in developing audit standards, such as investors. These recommendations also indicated that auditors should change their perspective and deal with management on the basis of its integrity. Instead of this, the auditor would conduct the auditing with professional caution. [2]

The auditor's main obligation in carrying out his task is to express his professional and impartial opinion as to whether the financial statements were presented objectively, honestly and fairly or not. This opinion is directed at the parties who have assigned him to this task. It also emerges after the auditor audits the accounting and calculation records and calculates the profits, losses and the general budget to determine the validity and fairness of the financial statements presentation.

The auditing refers to the examination of the accounts of an economic unit to verify their validity as well as the examination of internal control systems, data, documents and records of the economic unit critically and regularly in such a way that the auditor can submit his report which contains his independent, neutral and technical opinion on the extent to which the financial statements represent the financial position and the business result for a certain period [3]. The auditing is also defined as the collection and evaluation of information evidence to determine the degree of compatibility between that information and the standards adopted and to report them. The auditing must be carried out by an independent body or person [4].

The objectives of auditing have been affected by its historical development and professional content. Formerly, the auditing was just a means of discovering faults, fraud, manipulation or falsification that might be found in the files and records. The view towards the auditing process has changed when the English judiciary explicitly decided in

[1] Abdullah Abdullah Al-Sanfi, "The Importance of Compliance with INTOSAI Document on Professional Ethics," *Journal of Financial Control* 6 (2005): 2.
[2] Ahmad Adnan Toumeh, Sofri Yahya, and Walid Zakaria Siam, "Expectations Gap between Auditors and User of Financial Statements in the Audit Process: An Auditors' Perspective," *Asia-Pacific Management Accounting Journal (APMAJ)* 13, no. 3 (2018): 79–107.
[3] Khaled Amin Abdullah, *Auditing Science from a Theoretical and Practical Perspective*, 3rd editio (Amman, Wael Publishing and Distribution Press, 2004).
[4] Alvin A Arens and James K Loebbecke, "Auditing: An Integrated Approach" (Univerza v Mariboru, Ekonomsko-poslovna fakulteta, 2000).

1897 that the discovery of fraud and fault is not among the main objectives of the auditing process and the auditor is not required to be a spy or a secret policeman and he must not begin his work while he doubts the data provided to him [5].

The main priority of auditor is to confirm the adequacy and reliability of the information and to submit a report whereby stating his neutral, technical opinion on the significance of the financial statements. This report is important because of the following reasons [6]: Conflict of interests between the beneficiaries of financial information and the person who prepares that information; Published financial information may be the only source of information for making various decisions, such as investment and loans. And beneficiaries are unable to view the company's records and sometimes complicate the foundations used, such as accounting for contracts under completion or the basis for selling in installments.

Auditing Standards and Procedures

The standards are among the most important basics on which the auditor is based as they form the backbone of the auditing processes. The following standards can be used according to their tabulation into these major groups [7]: The first group: standards derived from social circumstances and duties or what can be expressed as the requirements of the social environment; The second group: standards derived from economic circumstances and duties or what can be expressed as the requirements of the economic environment; The third group: standards derived from the legal responsibility of management or what can be expressed as the requirements of the legal environment. And the fourth group: standards resulting from the control responsibility of management for the project. The standards that can be used in this field to evaluate the management plans, policies and activities are the general regulations governing the corporate so that all decisions taken by the management must be within the limits of these regulations and that any decision made by the project management must be consistent with the objectives and desires of the group as a whole and not with the individual objectives.

The fifth group: standards related to administrative skill in terms of being a scientific and rational management. These standards can be used in the field of evaluation of administrative efficiency, namely the use of technical methods that lead to the achievement of the objectives clarified previously whether they are social, economic, legal or controlling.

Methods of Economic Reform to Reduce Investment Risks

[5] Abdullah, *Auditing Science from a Theoretical and Practical Perspective*.
[6] Hadi Al-Tamimi, *Introduction to Auditing: A Theoretical and Practical Perspective*, 2nd editio (Wael Publishing Press, Amman, 2004).
[7] Mohammed Nasr Al-Hawari, "Studies in Auditing with a Presentation of Some Aspects of Accounting Theory," *College of Commerce, Ain Shams University, Ghareeb Press* 50, no. 1 (1977): 7–24.

Economic reform is one of the basics of investment systems in determining the fundamentals of infrastructure of each corporate and each country to achieve the objectives due in the plans for investments. The dialogue among corporates of private, mixed and government sectors creates a bilateral commitment and contract between the parties to the contract. In the performance contracts, governments are committed to implement their financial and non-financial obligations towards investment organizations. The aim of these contracts is as follows: To create an equation between the independence necessary for managing economic corporates without political or other interventions and the response of economic corporates and their responsibilities towards the state and society; To give economic corporates the freedom to compete, innovate and adopt the appropriate means to achieve their legitimate objectives. And the existence of a performance incentive system that increases or decreases depending on the evaluation results of the company's performance so that incentives are completely eliminated when the economic corporates completely fail to meet the agreed objectives.

Any project usually has four sets of objectives represented by: deepening economic reform; maximizing profitability; increasing the capacity of the national economy to operate factors of production; in addition to using national natural resources that have not been used; increasing the capacity of the project on the efficient use of the factors of production of raw materials and motivating energy; eliminating all forms of the stagnation, deficiency and waste in the production processes; increasing the national production of goods and services to be presented to the local market and satisfy its need; as well as strengthening the structure of national production in a way correcting the real imbalances that exist in it.

The risk is the degree of fluctuation in the expected revenue. In other words, it is the possibility that the actual revenue of investment may differ from the expected one. The first is the real revenue of available investment; whereas the second is expected, i.e., it may or may not be achieved depending on the degree of risk. Therefore, in cases where there is no risk, the expected revenues are equal to actual ones, and these are very rare cases in economic situations. It is also defined as the probability that the results of the predictions are wrong. So, if there is a high probability that the predictions are wrong, then the risk will also be high; and if the probability is low, the risk degree will also be low[8].

The multiplicity of investment instruments that provide a variety of investment opportunities which prepare and ensure that all investors choose the right area in terms of opportunity, time, revenue and risk has led to attention to the economic and administrative reforms of corporates for different types of risks that are classified into economic and non-economic risks. Hence, when the investor makes the investment, he actually uses the degree of risk in return for expecting a reasonable revenue. So, the risk

[8] Salah Hassan Al-Husseini and Moayad Abdul Rahman Al-Douri, "Banking Management: A Contemporary Quantitative and Strategic Introduction," *Wael Publishing Press, Jordan* 58 (2000): 569–77.

is an important element to be taken into account when making any investment decision. The risk in the investment is associated with the possibility of having losses. Thus, the more possibility of having losses, the more risky the investment, and vice versa. Consequently, economic reform helps to reduce the following types of risks:

Market risks refer to the general fluctuation in securities prices, where these prices fluctuate in response to external events, which are not primarily related to the companies concerned. The fluctuation in the stock market occurs up or down because the prices of most stocks are moving in the same direction as the market. The external events that change stock prices are difficult to be predicted. So, the investor can do nothing to avoid these short-term fluctuations in stock prices associated with these events.

They refer to faults committed by management or mismanagement of economic corporates. Hence, the fatal faults of management affect the course and future of economic corporates as the mismanagement of some companies has led to heavy losses. The reform process in redefining the role of State and abandoning activities that the private sector can undertake should generally be aimed at increasing the economic and resource efficiency in order to increase development rates. The State must focus on its roles and core functions, which cannot be entrusted to the private sector, and perform these roles and functions more effectively and efficiently. Therefore, privatization means to give the greater role to the private sector in influencing the economic and investment activity and to reduce the role of the public sector in interfering in this activity only in the processes of control to reduce monopolies.

Business risks are measured by the degree of fluctuation in net profit of processes over time. This can be observed through difference coefficient of net profit of processes over a time series (from 5 to 10 years), as illustrated by the following equation [9]:

$$\textbf{Business Risks} = \frac{\textbf{Standard Deviation of Processes Profit}}{\textbf{Average Profit of Processes}}$$

Where there is change in: the volume of demand for the company's products, their sale prices, input prices and degree of operational leverage. The risk of bankruptcy arises from the inability of economic corporates to pay their obligations to other parties as a result of the change in their financial integrity when implementing an investment proposal or the expansion of their activities. This may have an impact on the financial integrity of corporate or economic corporates, as they may move away or be close to the risks of payment stoppage.

They include the risks that governments call through actions they take for due preventive purposes, including: Inability to transfer cash: the State often imposes control over foreign exchange and cash transfers for various purposes, including support of

[9] Mary Shirley and John Nellis, "Public Enterprise Reform," *The Lessons of Experience. World Bank, Economic Development Institute, Washington. DC*, 1991.

national payments balance and optimal utilization of available foreign exchange, or avoiding inflation in domestic markets, achieving revenue for the State or to protect or support national industries. In addition to providing sufficient foreign exchange to pay for the import of machinery, equipment, spare parts and raw materials necessary for operating the investment project [10]; Technological risks: the technological expression, whether in new production or production processes, can be partially or totally (products and production processes) exposed to large risks starting with research and development (R&D). This can cause a risk when it does not guarantee a market for the commodity or R&D does not reach a result. The value of technological risks is very high in a world where information, communications and electronic industries are evolving rapidly [11]. And other economic risks: the process of economic reform is in constant interaction and integration with the environment and variables, including political decision makers on the reform process. This in turn requires leaders and administrators with negotiating and influence power on the pressure forces necessary for the economic system to achieve the effective interchange among the various elements of the economic system for achieving high-efficiency communication to ensure obtaining the required feedback that helps in the formulation and timely correction of reform plans.

They include nationalizations and risks resulting from changes in consumer tastes, social customs and laws prevailing in the country. They obstruct investment by impeding economic growth, investors' reluctance to invest their capital and the prevalence of pessimism caused economic stagnation as a result of uncertainty resulting from the instable political situation.

The Auditor's Role in Economic Corporates to Reduce Investment Risks

To implement economic reform programs in their clear forms, economic stabilization programs must be targeted primarily and fundamental imbalances in the national economy must be removed through a package of financial policies in order to prepare for the implementation of economic reform programs. Economic reform program aims at addressing key economic variables and balances to address the internal and external imbalance. Therefore, when the investor decides to invest his money, he must take into account the following basics: The expected revenue: the investor resorts to investing his money in projects with the appropriate revenue, especially he is sacrificing some of his money at the present time [12]; The expected degree of risk: as it is known that there is a correlation between risk and profitability. Therefore, it is necessary to balance

[10] Jalila Abdul Latif Al-Jabri, "The Potential to Activate Foreign Direct Investment in Developing Countries with a Special Reference to Iraq," *PalArch's Journal of Archaeology of Egypt/Egyptology* (Mustansiriyah University, 2005).
[11] Amjed Kareem Ghadhab, Adnan Kadhum Matrood, and Ali Mahdi Hameed, "Factors Affecting the Quality of External Auditor Performance: An Analytical Study of the Opinions of Auditors Working in Iraqi Audit Firms and Companies," *Academy of Strategic Management Journal* 18, no. 1 (2019): 1–27.
[12] Ahmed Zakaria Saleh, *Principles of Investment*, ed. 2nd Edition (Dar Al-Manahij for Publishing and Distribution, Amman, Jordan, 1996).

the degree of risk with the expected profits taking into account that investment activities are always risky; Choosing the right time: the investor must choose the right time for the investment process and must take into account the time of profits flow and payments refund; Finding alternative solutions: alternatives are the methods of solution available to the management to achieve the objective of the investment project. Here, it is necessary to collect information and data on all alternatives and choose one of them according to the rule of the largest benefits and the lowest costs in the light of the available resources, taking into account the financial, economic and social indicators that explain their importance to the corporate or unit and society as a whole [13]; Evaluation of alternatives: this means comparing each alternative, such as cost, benefits and other information that helps make the evaluation. And implementation of the alternative: this is obtained during the project evaluation phase. Practically, the evaluation process may not lead to a rational choice among available alternatives. Accordingly, the management has to make its decision in the light of the unit's objectives, available and specific potentials and resources through the general budget of the State when preparing the investment budget [14].

Follow-up: it is the process of following-up decisions, verifying their results and evaluating the project with actual results. This has necessitated carrying out the process of evaluating economic and financial performance.

Discussion

This section enhances the theoretical part by a practical study defining the auditor's role in detecting fundamental faults in economic corporates to reduce the investment risks obtained to reach a set of results. This is done by collecting data related to the applied study and then analyzing them using a statistical software. After reviewing the concept and functions of the auditor, addressing the stages of investment risks, the study attempts to explain the role of the auditor through the data obtained from the Nineveh Investment Commission, and analyze the results using (SPSS) software. Finally, it highlights the results with the most important recommendations.

Measurement of Variables

The analytical quantitative approach is defined as the attempt to reach accurate and detailed knowledge of the elements of the existing problem or phenomenon for a better and more accurate understanding or developing future policies and procedures for it. This approach is used when there is a prior knowledge of the aspects and dimensions of a particular phenomenon.

Validity Test;Validity and Reliability Using Statistical Analysis

[13] J Dhahabi, "The Role of Accounting Information in Rationalizing Investment Decisions-a Study in Light of the Strategic Approach to Cost Management Systems-an Applied Study in the General Company for Vegetable Oil Industry," *University of Baghdad: Iraq*, 2001.

[14] Osama Al-Haris, "Administrative Accounting," *Al-Hamid Publishing and Distribution Press* 1, no. 2 (2004): 1–10.

Alpha coefficient for internal reliability of data: Alpha coefficient provides a good estimation in most situations. This method depends on the consistency of the auditor and the risks of investment to each other. To extract reliability according to this method, all (90) cards of test were used, and then the alpha equation was used. The reliability factor was 0.829 and it is considered internally consistent because this equation reflects the internal consistency of items, as shown in table 1.

Table 1: reliability statistics

	No. of items	Cronbach's Alpha
Total	25	0.829
Auditor	13	0.835
Investment Risks	12	0.811

Table 2: internal validity of research dimensions

No.	**Dimensions**	**Correlation Coefficient**	**Significance Level**	**Accepted/ Refused**
		Auditor's role		
1	Detection of essential faults	0.833**	.000	Accepted
2	Investment risks	0.813**	.000	Accepted

Source: the researcher, based on the SPSS results.

Table (2) shows a correlation between internal dimensions and research variables by the significance of all data used in this study. The significance level was (0.000), indicating a positive correlation between dimensions and variables. It is clear that the relationship is significant in the sense that the correlation occurs due to consistency and internal relation between dimensions and not by chance. Thus, the validity of the study is achieved.

Validity Test; Reliability of Study

Cronbach Alpha coefficient was found to confirm that the test represents the target data. Based on the results, the study was reliable as Alpha coefficient for detecting essential faults was (0.833) and investment risks (0.813). This is a positive result, reflecting the reliability of the data prepared for this study.

Validity Test; Reliability of Study; The Correlation Among Research Variables

A correlation among research variables was found by clarifying the level of their relationship, as shown in table 3.

Table 3: the correlation between research variables

Variables	**Auditor**	**Detection of essential faults**	**Investment risks**
Auditor	1	0.889**	0.898**
Detection of essential faults	0.889**	1	0.876**

Investment risks	0.898**	0.876**	1

Source: the researcher, based on the SPSS results.

The results in the table indicate a positive relationship among research variables as the correlation coefficient ranged between (0.876**- 0.898**) .

The Importance of Research Variables in the Company Under Study

The arithmetic mean, standard deviation and difference coefficient were found to demonstrate the importance of variables and the extent of their perception in the target field based on the respondents' answers, as described in table 4.

Table 4: the arithmetic mean, standard deviation and difference coefficient of research variables

Research Variables	No.	Items	Arithmetic Mean	Standard Deviation	Difference Coefficient
	1	Auditor's role	3.88	0.88	18.223
	2	Detection of essential faults	3.90	0.78	19.989
	3	Investment risks	3.91	0.67	21.878

Source: the researcher, based on the SPSS results.

The results shown in table (4) indicate that there is a relationship between the auditor and the detection of essential faults and that the investment risks change by the change in the auditor's role. Hence, the higher the role of the auditor, the higher the detection of essential faults at the same time. In addition, the data did not sow dispersion, which indicates that the distribution is in the right direction and the results can be relied upon. The difference coefficient was examined for each variable. The highest coefficient of difference was approximately 22%, which indicates that 78% of the data are directed towards the other variable in the same direction and that the data are compatible with each other.

Test Research Hypotheses

Hypotheses are tested to confirm their validity by showing the correlation and impact among research variables (auditor's role, detection of essential faults and investment risks), as shown below:

Table 5: test research hypotheses

Variables	Investment risks					
	Beta coefficient (B)	T-test	Sig	Beta coefficient (B)	T-test	Sig
Auditor's role	0.64	3.31	0.00	-	-	-
detection of essential faults	-	-	-	0.76	4.18	0.00

Correlation coefficient (R)	0.88		0.87	
Determination coefficient (R2)	0.77		0.75	
Constant term coefficient (a)	1.09		1.14	
ANOVA Sig F	56.98	0.000	59.67	0.000

Source: the researcher, based on the SPSS results.

According to the results shown in table (5), there is a relationship and impact between the auditor and investment risks. Hence, the auditor has explained an important part of the variation in investment risks by determination coefficient (R2=0.77). Thus, the auditor has played a role in explaining about (77%) of the change in investment risks. The regression factor was (β=0.64), which means that the role of the auditor increases by one unit, accompanied by an increase of (64%) in investment risks. This is considered significant according to the value of (t=3.31) which indicates significance as being greater than (2). Thus, the first hypothesis is verified.

Based on the results shown in table (5), there is a relationship and impact between detection of essential faults and investment risks. Hence, detection of essential faults has explained an important part of the variation in investment risks by determination coefficient (R2=0.75). Thus, detection of essential faults has played a role in explaining about (75%) of the change in investment risks. The regression factor was (β=0.76), which means that detection of essential faults increases by one unit, accompanied by an increase of (76%) in investment risks. This is considered significant according to the value of (t=4.18) which indicates significance as being greater than (2). Thus, the second hypothesis is verified.

Table 6. results of hypotheses test

Variables	Investment risks		
	Beta coefficient (B)	T-test	Sig
Auditor's role in detecting essential faults	0.54	2.45	0.000
Correlation coefficient (R)	0.894		
Determination coefficient (R2)	0.79		
Constant term coefficient (a)	1.213		
ANOVA Sig F	76.88	0.000	

Source: the researcher, based on the SPSS results.

The results of path analysis show that the detection of essential faults with keeping the auditor's role as an independent variable gives positive results represented by the increase of determination coefficient (R^2) to (0.79), i.e., about (79%) of change in investment risks is explained by investment risks. This increase is the result of the introduction of auditor's role. All results shown in table (6) indicate the significance of research model as a whole, and ensure the auditor's role between the independent and dependent variables. The direct and indirect impact was found to show the nature of the independent's direct impact on dependent one and the indirect impact on dependent one, as shown in table 7 below:

Table 7. The direct and indirect impact between research variables

Independent variable	Auditor's role		Detection of essential faults	
Dependent variable	Investment risks Impact	Sig	Impact	Sig
Direct impact	0.132	0.00	0.154	0.06
Indirect impact	0.223	0.00	0.243	0.00
Total impact	0.334	0.00	0.244	0.00
Ratio of indirect impact	0.33		0.23	

Source: the researcher, based on the SPSS results.

Table (7) illustrates the direct and indirect impact of the auditor's role in detecting essential faults on reducing investment risks. It is clear that the auditor has an important role in detecting essential faults to reduce investment risks completely. Based on the significance of direct and indirect impact, the auditor's role represents an independent variable that can be invested in improvement to reduce investment risks by detecting essential faults so that the auditor's role is acceptable and does not cause loss to corporates aiming at improving their entity.

Conclusion

This article finds: The auditor has an impact on economic reforms, helping to mitigate losses caused by the traditional methods followed by economic corporates; There are several investment-related risks that, however numerous and varied, are classified as regular and irregular risks; The variety of investments has increased in the face of the risk situation faced by the economy, which will affect the investment decision. This requires providing data and information and stimulating economic and administrative reforms in corporates; The auditor detects essential faults in economic corporates by addressing difficult economic and administrative problems, including investment risks; The auditor's role is not achieved in a society that suffers from administrative deficiencies that impede economic progress. And the risk refers to the possibility of having actual revenue on investment different from the expected one.

this article recommends: There should be an increased attention to the circumstances surrounding investment decision makers, including risk conditions, which would lead to gaining the greatest revenue with the lowest risk. So, risk analysis can have a positive impact on investment decision-making; The auditor helps to enable economic reform in decision-making and the factors affecting it within different economic units and reduce the risk of their investments; The auditor should work to increase the efficiency of economy and the use of resources in order to increase development rates by detecting essential faults; The auditor helps investment decision makers identify the pressure forces necessary for the economic system to achieve an effective interchange of elements of the economic system; It is necessary to identify and detect essential faults that work on reducing different types of risks that are classified as economic and non-economic risks. And the effective efficiency of the auditors should be used to activate the factors of production of raw materials and motivating power and eliminate all forms of stagnation and waste in production processes, in addition to increasing the production capacity to satisfy the market needs.

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