



The Impact of ISA 220 on Narrowing the Expectation Gap in Audit: A Study on Auditors in Iraq

Denetimde Beklenti Boşluğunun Daraltılmasında UDS 220'nin Etkisi: Irak'taki Denetçiler Üzerine Bir Araştırma

ABSTRACT

The International Standard on Auditing (ISA) 220 is one of the tools to mitigate the expectation gap in auditing. This standard outlines the auditor's responsibilities and explains the importance and necessity of complying with quality control procedures during the audit process. It can be stated that auditors conducting their audits in accordance with this standard will meet stakeholder expectations, maintain the expectation gap at a reasonable level, and demonstrate a quality audit approach. This study aims to evaluate the role of compliance with International Auditing Standard 220 from the perspective of auditors operating in Iraq in reducing the expectation gap in auditing. To this end, data were collected from certified public accountants and auditors in Iraq through a three-part questionnaire. Of the 433 questionnaires distributed, 224 valid responses were received. The analysis revealed a significant positive relationship between compliance with this standard and the reduction of the expectation gap. This result shows that compliance with ISA 220 has a significant impact on reducing the expectation gap in auditing and improving the audit process.

JEL Codes: M40, M42, M49

Keywords: Audit, International Auditing Standards, Expectations Gap

Öz

Uluslararası Denetim Standardı (UDS) 220, denetimdeki bekleni boşluğunun azaltmaya yönelik araçlardan biridir. Bu standartta denetçinin sorumluluklarını ana hatlarıyla ele alınmış ve denetim sürecinde kalite kontrol prosedürlerine uymanın önemi ve gerekliliği açıklanmıştır. Denetimlerini bu standarda göre yürüten denetçilerin, paydaş beklenenlerini karşılaşacağı, bekleni boşluğunun makul bir düzeyde tutacağı ve kaliteli bir denetim yaklaşımı gösterecekleri ifade edilebilir. Bu çalışmada, Irak'ta faaliyette bulunan denetçilerin bakış açısından Uluslararası Denetim Standardına 220'ye uyumun, denetimdeki bekleni boşluğunun azaltmadaki rolünün değerlendirilmesi amaçlanmıştır. Bu amaçla Irak'taki yeminli mali müşavirlerden ve denetçilere üç bölümünden oluşan bir anketle veri sağlanmıştır. Dağıtılan 433 anketten 224 geçerli geri dönüş alınmıştır. Yapılan analiz sonucunda bu standarda uyum ile bekleni boşluğunun azaltılması arasında anlamlı pozitif bir ilişki olduğu belirlenmiştir. Bu sonuç UDS 220'ye uyumun denetimde bekleni boşluğunun azaltılmasında ve denetim sürecinin iyileştirilmesinde önemli bir etkiye sahip olduğunu göstermiştir.

JEL Kodları: M40, M42, M49

Anahtar Kelimeler: Denetim, Uluslararası Denetim Standartları, Bekleni Boşluğu



**This study is derived from the master thesis titled "The Role of Applying International Auditing Standard 220 in Narrowing the Expectation Gap: A Study on Auditors in Iraq" conducted at Tokat Gaziosmanpaşa University Graduate Education Institute, under the supervision of Assist. Prof. Dr. İbrahim ÇİDEM*

Geliş Tarihi/Received 16.01.2025
Kabul Tarihi/Accepted 24.11.2025
Yayın Tarihi/Publication Date 01.01.2026

Sorumlu Yazar/Corresponding author:
İbrahim ÇİDEM
E-mail: İbrahim.cidem@gop.edu.tr
Cite this article: Al-Dalo, A. I. H. & Çidem, İ. (2026). The Impact of ISA 220 on Narrowing the Expectation Gap in Audit: A Study on Auditors in Iraq. *Trends in Business and Economics*, 40(1), 60-72.



Content of this journal is licensed under a Creative Commons Attribution 4.0 International License

Introduction

In today's rapidly changing corporate environment, reliability and openness matter greatly when judging financial data. To back up such credibility, auditing serves as a key tool via monitoring fiscal reports. A separate review - conducted by someone outside the firm - involves checking monetary documents so they meet rules and show correct figures. Such an external check strengthens faith among businesses, shareholders, and interested parties by confirming that balance sheets fairly represent economic status (Fraser & Pong, 2009, p. 106). Still, discrepancies exist; the audit expectation gap reflects mismatches between public demands and actual auditor output. This gap involves the expectations mismatch - what users think auditors do versus their real duties - and the performance shortfall, where actual audits fall short of ideal standards. To close it, clearer dialogue between auditors and stakeholders is needed; at the same time, public awareness about audit work must grow (Porter, 1993, p. 50).

The expectation gap, which refers to the discrepancy between stakeholder expectations and auditors' performance, remains a persistent issue despite global efforts by auditors. International standards such as International Auditing Standard 220 (ISA 220) have been developed to address this issue. Focused on quality control in auditing, ISA 220 aims to improve audit quality and thus reduce the expectation gap. It outlines the basic rules governing the responsibilities of the audit leader, including compliance with ethical standards, client relationships, team formation, and adherence to audit procedures. Team leaders must ensure compliance with quality and ethical rules, manage client relationships within the scope of conflicts of interest, assemble a qualified audit team, and adhere to professional standards. In this context, ISA 220 aims to provide assurance that audit activities are conducted professionally and independently, thereby increasing confidence in audit quality.

The primary objective of this study is to examine the impact of applying ISA 220 on reducing the expectation gap in auditing among independent auditors in Iraq. This study also aims to reduce the expectation gap and improve audit quality by raising awareness about ISA 220 among auditors in Iraq. To this end, the study initially aimed to assess Iraqi auditors' knowledge level and proficiency regarding the requirements and guidance outlined in ISA 220. At the same time, the impact of compliance with the standard on the effectiveness, accuracy, and reliability of

the audits they conduct is evaluated. Another critical point is to identify inconsistencies in stakeholders' expectations of auditing within the context of ISA 220. Providing clear information on the current gaps in expectations between auditors and financial report users in Iraq, making recommendations to finance and accounting institutions for improving audit practices, and contributing to the development of regulatory and legal frameworks related to auditing in Iraq, highlights the importance of this study.

The Concept of the Expectation Gap

The expectations gap describes the difference between what users of financial reports expect from auditors and what the auditor actually does. Auditing standards state that the external auditor's responsibility is to plan and implement the audit process to obtain reasonable assurance that the paper financial statements or published online financial statements are accurate. There are no flaws in the presentation of the company's electronic information (Al-Shaqour & Al-Hajaya, 2022, p. 112). Additionally, the expectations gap broadly refers to the discrepancy between what the auditor does or is capable of doing in accordance with (Generally Accepted Auditing Standards) (GAAS) and what he should be expected to perform in accordance with society expectations for supervisors (Shaheen & Zaid, 2021, p. 11). Professor Liggio wrote an article titled "The expectation gap is a legal defeat for the auditor" in 1974 and is credited as being the first to define the expectations gap in auditing. According to Liggio, the expectations gap is a result of the levels of anticipated performance as seen by the external auditor and the user of the financial statements, and the discrepancy between these levels represents the expectation gap (Zein et al., 2018, p. 346).

The expectations gap, which reflects the discrepancy between what the public expects from the auditing profession and what the auditing profession actually provides, was previously known as the discrepancy between users of financial statements and auditors regarding the application and function of auditing (Al-Sabaa, 2016, p. 8).

The expectancies gap is dynamic and static in nature since it is regenerated by two factors, according to: The demand from users for financial statements is rising significantly as a result of their requests for the auditor and outlining the tasks and responsibilities of the auditor as they are represented in the financial statements prepared in line with accepted accounting and auditing standards.

Characteristics of the Expectations Gap

The expectations gap is characterized by a number of characteristics that can be summarized as follows: (Hama Amin & Muhammad, 2021, p. 201)

- It is impossible for the expectations gap to exist as an excess supply of services and the duties of the external auditor since it always indicates the excess demand of the company's stakeholders for services.
- The expectations gap is neither static nor dynamic since it is constrained by two factors: the interest's desire for the services and obligations of the external auditor and the offer of such services and obligations.
- It conveys the administration's excessive demand for internal audit roles and functions, which results from a lack of audit roles and functions available to assist the administration in the first place.
- It illustrates the discrepancy between the duties and responsibilities internal audit fulfills in commercial firms and what management requires of it in this regard (Al-Hawari, 2020, p. 204).

Ways to Narrow the Expectations Gap

The research Khalil (2009), divided approaches that reduce the gap between expectations into two groups (The Responsibilities of the Auditor and Tasks Involving the Financial Sector and Professional Associations).

The responsibilities of auditors are:

- Supporting the objectivity and independence of references.
- Improving auditors' performance and audit quality levels.

Tasks involving the financial sector and professional associations are:

- Spread awareness of the auditor's responsibility among the financial community.
- Increasing professional organizations' supervisory responsibilities.

According to the study (Al-Ali, 2017, p. 111), the following elements play a role in narrowing the expectations gap:

- Increasing the auditor's independence.
- Improving communication within the audit environment and educating people on the nature of the auditor's job and responsibilities.
- Improving the auditor's professional skills and the caliber of financial reports.
- Increasing the auditor's tasks and rationalizing the

audit recipients' expectations.

- Activating the professional organizations' organizational and oversight functions.

In the study, Abdel-Lawi (2014) stated the following:

- It is obvious that the auditor's report is crucial to the audit process, so the auditor must adhere to strict guidelines and work in a way that is understandable to other parties (users of financial information), who may have a different perspective from the auditor's.

- The discrepancy between what users expect and the work that auditors perform as a result of several reasons, including what is due to the standards of the profession, including what is due to the auditor himself and his performance, is what supports the existence of this difference between auditors and users, or what is known as the expectations gap. Professional, some of which are otherwise brought on by inflated societal expectations and a lack of understanding of the auditing profession and how it functions.

- Ways to close this gap can be identified. This may be accomplished by, on the one hand, promoting the auditor's independence and improving his effectiveness, and, on the other, putting the auditor's job inside a practical framework for those who utilize financial information. Furthermore, improving communication between the two parties might help lessen the gap.

International Auditing Standard 220

International standards on auditing are professional standards on auditing of financial information that aim to ensure uniformity in auditing practices, improve the quality of auditing practices, and strengthen confidence in the auditing profession (Haapamäki & Sihvonen, 2019, p. 38). It is also known that it requires auditing institutions to establish quality control policies and procedures designed to ensure that all audit work is carried out according to international auditing standards or according to local standards. Among these policies and procedures are adherence to the principles of independence, objectivity, confidentiality, technical skills, and required competence, and the distribution of work to employees, consultations between employees, accepting a new client or continuing with old clients (Al-Tamimi, 2006, p. 35). International auditing standards are among the most prominent standards that are subject to the auditing task, as (ISA 220) addresses the issue of quality control related to: Auditing procedures in general and audit work in case tasks are delegated (Haiba et al., 2017, p. 431).

Objectives of ISA 220

International Standard (220) sought to set standards and provide guidance on quality control related to the policies and procedures of the audit office with regard to audit work in general and the procedures for the work that are assigned to assistant auditors. The standard touched on the necessity of implementing quality control policies

and procedures at the level of the audit office. And as individual auditors, the audit office must implement quality control policies and procedures to ensure that the audit work is completed in accordance with international standards or local standards (Rahi, 2016, p. 269). The policies and objectives of monitoring the quality of audit work can be clarified in the following table:

Table 1.

Policies and Objectives of Monitoring the Quality of Audit Work

Item (policy)	The goal
Professional requirements	Audit firm employees must adhere to the principles of independence, honesty, objectivity, confidentiality and professional conduct.
Skills and competence	The organization must be staffed with individuals who have obtained and maintained the technical standards and professional competence required to carefully carry out their tasks.
Distribution of tasks	Audit work should be entrusted to individuals who possess the degrees of professional training and professional competence required in such a case.
Delegation	There should be direction, supervision and follow-up of work at all levels, in order to provide reasonable assurance that the work completed meets appropriate quality standards.
Consultation	Consultation should be made within and outside the organization when necessary with appropriate experts.
Acceptance and retention of clients	The organization must conduct an evaluation of potential clients and monitor its relationship with current clients on an ongoing basis. When making a decision to accept or retain a client, the organization must also take into account the organization's independence, its ability to serve the client appropriately, and the honesty enjoyed by the client's management.
Monitoring	The organization must continually monitor the adequacy and effectiveness of the application of quality control policies and procedures.

Resource: (Mazoun, 2011, pp. 86-87)

Requirements of ISA 220

According to the issuances of modern international standards for auditing and quality control in the year 2009, the International Auditing Standard (220) related to quality control has been reformulated, and documentation requirements have been added to the standard that were not present in the previous version. Adding documentation requirements represents great importance, as through documentation the auditor will become more committed to exercising professional care and ethical requirements, and it also represents protection for the auditor when he is held accountable. The International Auditing and Assurance Standards Board (IAASB) has also confirmed that the requirements for auditing historical financial statements include the

following seven requirements: (Al-Lahibi, 2013, p. 268)

- Leadership responsibility for the quality of performance of the audit process
- Approval and continuation of customer relations and audits
- Ethical requirements
- Providing a qualified work force
- Process performance
- Documentation
- Monitoring

Literature Review

Several studies carried out by various researchers in this subject were reviewed in this section of the study:

Porter (1993) aimed to evaluate the structure between audit expectations and the performance gap in his study. Through his research, he linked the structure of the audit expectation gap to two factors: the acceptable expectation gap and the performance gap. The performance gap, in turn, is based on two elements: the lack of standards and the lack of performance. Porter stated that corrective measures can be easily identified when an audit expectation gap arises by correctly analysing and determining which component caused the gap. Al-Rahi (2016) assessed Iraq's compliance with Auditing Standard 220, concluding that implementing this standard helps reduce the expectations gap and protect certified public accountants from legal issues. However, the study noted insufficient private-sector involvement in auditing oversight, with excessive state control weakening the Profession Council's monitoring role. He recommended enhancing the Profession Council's oversight by adopting international standards, developing peer review programs, and integrating international expertise through seminars and conferences. Yıldız et al. (2017) examined the expectation gap in independent auditing from the perspectives of auditors and those receiving their services through their research conducted in Turkey. As a result of their study, they determined that there was an expectation gap between auditors and those receiving auditing services. They found that the expectation gap emerged particularly concerning the scope, purpose, and function of auditing. They reported that service users had expectations that exceeded the scope and purpose of auditing and that another expectation gap emerged in relation to auditors' responsibilities. Omar and Ahmed (2023) investigated the role of using ISA 220 in reducing the expectations gap. The findings showed that ISA 220 helps clarify auditors' roles, enhance transparency, and reduce the gap by aligning expectations with reality. The study highlighted the importance of auditor independence and separating audit services from other services to avoid conflicts of interest. Recommendations included mandatory adherence to ISA 220, engaging with global developments, and organizing international conferences to exchange expertise and align auditing practices. Ahmed and Xdr (2023) claimed that adherence to ISA 220's quality control measures enhances audit quality and maintains auditor independence, thereby minimizing the influence of client preferences on audit opinions. They recommended that audit offices in northern Iraq adopt ISA 220 to strengthen quality control and urged the Accountants and Auditors Syndicate to enforce guidelines, monitor audit quality, and penalize non-compliance.

Like many studies, this study has revealed a significant relationship between reducing the expectation gap in auditing and ISA 220. The contribution of this study to the literature can be stated as examining the relationship between reducing the expectation gap and participation in quality control, staff understanding of ISA 220, and compliance with ethical requirements, as well as determining the effects of these on reducing the expectation gap in auditing.

Material and Methods

This study has been prepared in accordance with the rules of scientific research and publication ethics. Ethics Committee approval of the research was received by the decision of Tokat Gaziosmanpaşa University Social and Human Sciences Research Ethics Committee dated 16.04.2024 and numbered 07-34. Informed consent was obtained from all participants in the study

Objectives of the Research

The main objective of this study is to analyze and understand the role of applying ISA 220 in narrowing the expectations gap among independent auditors in Iraq. The sub-objectives of the study can be defined as follows: Determine the extent of auditors' awareness in Iraq of International Auditing Standard 220; evaluating the impact of applying International Auditing Standard 220 on the quality of audit operations; explore potential gaps between the expectations of users of financial reports and what is presented by auditors; providing recommendations to improve the application of ISA 220 in Iraq. In summary, the research aims to understand how ISA 220 is applied in the daily work of auditors in Iraq, and how this application can be improved to enhance the quality of audits and increase the level of compliance with the standard.

Research Population

The study population consists of auditors in Iraq. There are 433 auditors in Iraq, according to the auditors' bulletin for the year 2024 (Forecast Watchers Bulletin, 2024, p. 1-33). Auditing offices were officially established in Iraq under the legislation and laws that regulate this profession. According to the system for practicing the profession of auditing and monitoring, establishing audit offices in Iraq requires obtaining a license to practice the profession, which is granted based on the fulfillment of certain conditions that include obtaining the necessary

academic qualifications and practical experience in the field of auditing. Table No. (2) shows the number of companies and offices in all governorates of Iraq as follows:

Table 2.

Auditing Companies and Offices in the Governorates of Iraq

N	Governorates	Number of auditors	Number of companies and audit offices in Iraq
1	Baghdad	231	190
2	Basra	27	23
3	Mosul	14	13
4	Kirkuk	4	4
5	Karbala	5	5
6	Anbar	3	3
7	Diyala	2	2
8	Al-Duwaniyah	8	8
9	Najaf	8	8
10	thi Qar	6	6
11	Wasit	3	3
12	Maysan	3	3
13	Almuthanaa	3	3
14	Babylon	1	1
15	Erbil	76	76
16	Sulaymaniyah	11	11
17	Dohuk	5	5
18	Under training	23	23
The Total		433	368

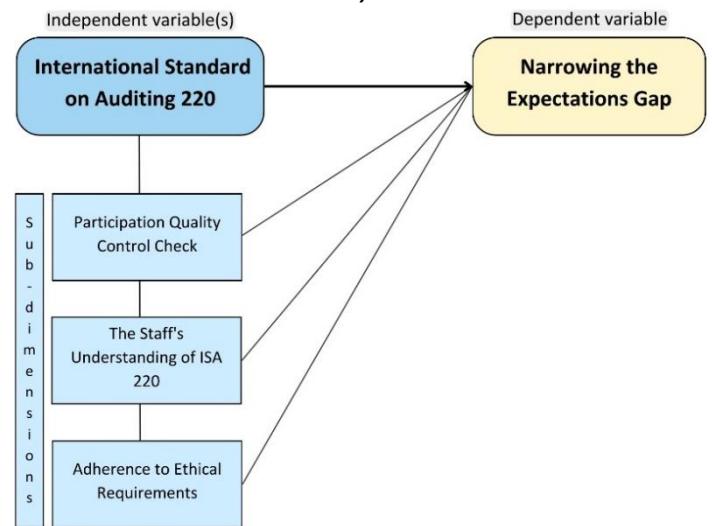
The table 2 shows there are a total of 368 companies and audit offices in Iraq, with 433 auditors working in various governorates. The capital, Baghdad, hosts the majority, with 190 companies and 231 auditors. No sample was selected for the study and all auditors were contacted.

Research Model and Hypotheses

To achieve the objectives of the study and reach the specified results, a model was designed for the current study. This model explains the relationship between the various variables related to the application of ISA 220 and their impact on reducing the expectations gap between auditors and the financial community, which is as follows:

Figure 1.

Study Model



There are two main hypotheses in the research, and these two hypotheses consist of several sub-hypotheses, which are as follows:

H1: There is a strong correlation between narrowing the expectations gap and implementing the quality control-related elements of the ISA 220.

H1a: There is a strong correlation between narrowing the expectations gap and participation quality control check.

H1b: There is a strong correlation between narrowing the expectations gap and the staff's understanding of ISA 220.

H1c: There is a strong correlation between narrowing the expectations gap and adherence to ethical requirements

H2: Applying the ISA 220 to quality control has a statistically significant impact on narrowing expectation gap.

H2a: Participation quality control check has a statistically significant impact on narrowing expectation gap.

H2b: The staff's understanding of ISA 220 has a statistically significant impact on narrowing expectation gap.

H2c: Adherence to ethical requirements has a statistically significant impact on narrowing expectation gap.

Correlation analysis was performed to test H1 and the sub-hypotheses, while simple linear regression analysis was performed to test H2 and the sub-hypotheses.

Data Collection Method

The questionnaire technique, one of the quantitative research methods, was used to collect the data in the study. A 23-question questionnaire created by Omar & Ahmed (2023) was used. The questionnaire was sent to two arbitrators for evaluation. One of the referees is an active independent auditor and the other is an academic who has studies on independent auditing. Therefore, the referees suggested separating question (5) from the second axis into two parts so that the second axis becomes (6) questions. Thus, the questionnaire consists of (24) questions, excluding the demographic questions: the manifestations of the expectation gap (6) and ISA 220 related to quality control (18) (sub-dimensions: participation quality control check (6), and the staff's understanding of ISA 220 (6), and adherence to ethical requirements (6)).

The questionnaire was distributed electronically using Google Forms, with the researcher having access to the participants' email addresses and phone numbers. The questionnaire was sent via email to some participants, while it was sent via various communication applications such as WhatsApp, Viber, and Telegram to others. Some participants responded immediately, while others required follow-up and reminders multiple times via correspondence or direct phone calls to ensure maximum responses.

The program (SPSS-IBM v.26) was used to infer frequencies, percentages, arithmetic means, standard deviations, and percentages of agreement for all study variables.

The preferred methods for determining the reliability of questionnaire items are of great importance, as this test is characterized by measuring reliability between statements based on the levels of correlation between the statements of each variable as well as on the level of the questionnaire statements as a whole.

Cronbach's Alpha coefficient is usually calculated to measure internal consistency in questionnaires. A value between 0.5 and 0.7 indicates a moderate level of internal consistency and reliability, and a value between 0.7 and 0.9 indicates a high level of internal consistency and

reliability (Aithal & Aithal, 2020, p. 240). This test was conducted using SPSS V.26, and the results were as stated in Table 3 as follows:

Table 3.

Reliability Coefficients (Cronbach - Alpha) for the Statements of the Study Variables

Dimensions	Number of phrases	Cronbach's Alpha
Manifestations of the expectations gap	6	0.656
Participation quality control check in accordance with ISA 220	6	0.656
The staff's understanding of ISA 220	6	0.611
Adherence to ethical requirements in accordance with ISA 220	6	0.747
The form as a whole	24	0.849

- It is clear from the reliability coefficients at the level of the study variables for the dimensions of auditor independence, evidentiary evidence, auditor competence and experience, and audit quality that they reached (0.656), (0.656), (0.611), and (0.747), respectively. These values exceed the standard value (0.60), which indicates the availability of the required reliability for the questionnaire statements and variables mentioned.

- It also appears that at the level of the total indicator for all questionnaire statements, the reliability coefficient reached (0.849). Since this value exceeds the standard value (0.60), this indicates that the current questionnaire with its various standards has high stability, and can be relied upon in collecting data with a consistency of (84.9%).

Table 3 displays the reliability coefficients obtained from the Cronbach's alpha method. The values of all axis of the questionnaire range between (0.611-0.849), which is a good percentage compared to (0.6), which indicates the stability of all axis of the questionnaire.

Results

For the purpose of collecting data, (433) questionnaires were distributed to the category of certified public accountants and auditors, and answers were received from (224) of them only (56%).

Descriptive Statistics

The sample members were distributed according to the personal information obtained after work and effort by the researcher, and it is divided as follows:

Table 4.

Descriptive Data of Participants

Category		N	%
Gender	Male	178	79.5
	Female	46	20.5
Age	From 20-30 Years	2	9
	From 31-40 Years	22	9.8
Age	From 41-50 Years	65	29.0
	From 51-60 Years	55	24.6
Years of Experience	Years>61+	80	35.7
	Chartered accountants and auditors	224	100
Years of Experience	Less than 5 Years	11	4.9
	From 6-10 Years	24	10.7
Years of Experience	From 11-15 Years	29	12.9
	From 16-20 Years	28	12.5
Years of Experience	From 21-25 Years	50	22.3
	Years>25+	82	36.6
The Total		100.0	224

The table indicates the gender distribution in a sample of 224 individuals, with males making up 79.5% of the sample, with a total of 178 males, while females making up 20.5% of the sample, with a total of 46 females. The distribution of age groups participating are in the survey among 224 individuals. The age group of 20-30 years includes 2 participants, representing 9%, while the age group of 31-40 years includes 22 participants, representing 9.8%. The age group of 41-50 years includes 65 participants, or 29.0%, and the age group of 51-60 years includes 55 participants, or 24.6%. As for the age group over 61 years, it includes 80 participants, representing 35.7%. The study sample members were distributed according to educational attainment among certified public accountants and auditors at a rate of (100%) due to the field experiences of the certified public accountants and auditors.

The analysis shows that the majority of the study sample members have extensive job experience, with the highest percentages falling within the categories of more than 25 years, 21-25 years, and 11-15 years of experience.

This distribution indicates that the sample consists mostly of experienced individuals, which likely reflects their competence and experience in the auditing profession.

The mean, standard deviation, minimum, and maximum values for the survey dimensions are shown in Table 5.

Table 5.

Descriptive Statistics on Questionnaire Dimensions

	Minimum	Maximum	Mean	Std. Deviation
Manifestations of the expectations gap	2.33	5.00	3.82	0.53
Participation quality control check	3.00	5.00	3.98	0.42
The staff's understanding of ISA 220	3.17	5.00	4.21	0.41
Adherence to ethical requirements	3.00	5.00	4.50	0.47

The mean of manifestations of the expectations gap, participation quality control check, the staff's understanding of ISA 220 and adherence to ethical requirements as 3.82, 3.98, 4.21 and 4.50, respectively.

Correlation Analysis

Correlation analysis (Pearson correlation) was performed to test hypothesis H1. The results of the analysis are as shown in Table 6.

Table 6.

Correlation between Narrowing the Expectation Gap and ISA 220 on Quality Management in Audits

Independent variable(s)	Narrowing the expectation gap	
	Pearson Correlation	Probability (p) Value
ISA 220 related to quality control	0.399*	.000
Participation quality control check	0.378*	.000
The staff's understanding of ISA 220	0.376*	.000
Adherence to ethical requirements	0.211*	.001

*Correlation is significant at the 0.01 level (2-tailed)

Table 6 shows the existence of a strong and direct correlation between the International Auditing Standard (220) related to quality management and the dimensions of narrowing the expectations gap, in order to determine the nature of the correlations between the dimensions of the standard and the audited financial statements as a whole. To narrow the expectations gap in general and examine financial accounts. Since the value of the overall correlation coefficient reached (0.399) at the significance level ($\alpha = 0.05$), this result indicates that the expectations gap will decrease further with the application of International Auditing Standard (220) related to quality management for reviewing financial statements, and the probability value was ($p=.000$), thus accepting the first main hypothesis.

Branching off from the first main hypothesis are sub-hypotheses that state that there is a significant correlation between all dimensions of the ISA 220 related to quality control, namely (examining participation quality control - the staff's understanding of ISA 220 - adherence to ethical requirements) narrowing the expectations gap together, and Table 6 shows that.

1. There is a direct, highly significant and statistically significant correlation between the first dimension (participation quality control check according to ISA 220) with narrowing the expectations gap, as the correlation coefficient reached (0.378) because the probability value

for this after is equal to $p=.000$, which is less than the permissible level of significance ($\alpha = 0.05$). Thus, the

first sub-hypothesis of the first main hypothesis is accepted.

2. There is a significant, statistically significant correlation between the dimension (staff's understanding of ISA 220) and reducing the expectations gap, as the correlation coefficient reached (0.376) because the probability value for this dimension is equal to ($p\text{-value} = 0.000$). It is a significant relationship, and thus the sub-hypothesis is accepted. The second of the first main hypothesis.

3. There is a significant, statistically significant correlation between the dimension (adherence to ethical requirements) according to International Auditing Standard 220 and reducing the expectations gap, as the correlation coefficient reached (0.211), which is a highly significant relationship, ($p>.05$), thus accepting the third sub-hypothesis of The first main hypothesis.

Regression Analysis

Simple linear regression analysis was performed to test the second hypothesis of the study. The results of the analysis are shown in Table 7.

Table 7.

Impact Analysis of ISA 220 Quality Control Dimensions on Narrowing the Expectation Gap

Independent variable(s)	Dependent variable: Narrowing the expectation gap			
	Constant -C	β	F	R^2
International Standard on Auditing (220) related to quality control	1.222 t (3.037) <i>p</i> -value (.003)	0.614 t (6.481) <i>p</i> -value (.000)	42.007 <i>p</i> -value (.000)	15.9%
Participation quality control check	1.927 t (6.149) <i>p</i> -value (.003)	0.475 t (6.080) <i>p</i> -value (.000)	36.963 <i>p</i> -value (.000)	14.3%
The staff's understanding of ISA 220	1.764 t (5.158) <i>p</i> -value (.000)	0.488 t (6.045) <i>p</i> -value (.000)	36.537 <i>p</i> -value (.000)	14.1%
Adherence to ethical requirements	2.753 t (8.250) <i>p</i> -value (.000)	0.237 t (3.218) <i>p</i> -value (.001)	10.357 <i>p</i> -value (.001)	4.5%

The impact of the ISA 220 related to quality control in narrowing the expectation gap is as follows:

1. The second main hypothesis, which confirms that the aspects related to quality control in the International Financial Auditing Standard (220) have a statistically

significant effect in narrowing the expectations gap, is tested through the essence of this effect, as shown below.

2. The data in Table (16) indicate that there is a significant effect of the International Standard on Auditing (220) related to quality control in narrowing the expectations gap, and this is supported by the calculated (F) value (42.007), which is a significant value at a significant level (0.05) ($p<.05$).

3. The coefficient of determination (R^2) explained (15.9%) of the variance occurring in narrowing the expectations gap, and the value of (B) reached (0.614), which indicates that the change occurring in the International Standard on Auditing (220) related to quality control is one unit. It leads to a change in the narrowing of the expectations gap by (0.614), and it is inferred from the calculated (t) value (6.481) that it is a significant value at a significant level (0.05) ($p<.05$), and the value of the constant (c) indicates the presence of a narrowing of the expectations gap by (1.222) even if the value of the International Standard on Auditing (220) related to quality control is zero. Accordingly, the second main hypothesis was accepted.

The data in Table 7 indicate that there is a significant effect of the axis of examining the quality control of participation in narrowing the expectations gap, and this is supported by the calculated (F) value (36.963), which is a significant value at the significance level (0.05) ($p<.05$). The coefficient of determination (R^2) explained (14.3%) of the variance occurring in narrowing the expectations gap, and the value of (B) reached (0.475), which indicates that the change occurring in the examination of the quality control of participation by one unit leads to a change in Narrowing the expectations gap by (0.475), and it is inferred from the calculated (t) value (6.080) that it is a significant value at a significant level (0.05), and the value of the constant (c) indicates that there is a narrowing of the expectations gap by (1.927) even if the quality control inspection value is Zero participation. Accordingly, the first sub-hypothesis of the second main hypothesis was accepted.

The data in Table 7 indicate that there is a significant effect of the staff's understanding of ISA 220 axis in narrowing the expectation gap, and this is supported by the calculated (F) value (36.537), which is a significant value at a significant level (0.05), and the coefficient of determination (R^2) explained a percentage of (14.1). % of the variation occurring in narrowing the expectations gap, and the value of (B) reached (0.488), which indicates that the change occurring in the work team's understanding of

one administrative unit leads to a change in narrowing the expectations gap by (0.488), and it is inferred from the value of (t) calculated (6.045) as a significant value at a significant level (0.05) ($p<.05$), and the value of the constant (c) indicates a narrowing of the expectations gap by (1.764) even if the value of the work team's understanding is zero. Accordingly, the second sub-hypothesis of the second main hypothesis was accepted.

The data in Table 7 show that there is a significant effect of adherence to ethical requirements in narrowing the expectations gap, supported by the calculated F value (10.357), which is significant at the 0.05 level ($p<.05$). The coefficient of determination (R^2) indicates that 4.5% of the variance in narrowing the expectations gap is explained by this adherence. The B value (0.237) suggests that a one-unit change in commitment to ethical requirements leads to a change in narrowing the expectations gap by 0.237. The calculated t value (3.218) is also significant at the 0.05 level ($p<.05$). The constant value (2.753) indicates a narrowing of the expectations gap even if the commitment to ethical requirements is zero. Thus, the third sub-hypothesis of the second main hypothesis was accepted.

Conclusion

The main objective of this study is to analyze and understand the role of applying ISA 220 in narrowing the expectations gap among independent auditors in Iraq. The sub-objectives include determining the extent of auditors' awareness in Iraq of ISA 220, evaluating its impact on the quality of audit operations, exploring potential gaps between the expectations of financial report users and what auditors present, and providing recommendations to improve ISA 220 application in Iraq. The research aimed to determine the level of compliance of auditors in Iraq with ISA 220 in their audit activities and to explore how compliance with the standard could enhance the quality of the audit. To this end, a descriptive analytical approach was adopted to obtain and analyze the necessary data for the study. The fact that the research was conducted only in Iraq, personal factors related to the participants, and the time frame set for the survey can be considered limitations of the study.

The analysis of the study's data revealed a direct and strong relationship between ISA 220 and quality management, as well as the reduction of the expectation gap, and between ISA 220 and quality control. It was determined that ISA 220 has a significant impact on reducing the expectation gap in auditing. The main findings of this study, which addresses the importance of

compliance with this standard in order to improve audit quality and reduce the expectation gap of stakeholders, are as follows:

- Compliance with ISA 220 helps reduce the expectation gap in auditing because the standard clearly explains the scope of the audit and the auditor's responsibilities.
- It can be stated that compliance with the standard standardizes activities, improves the quality of the audit process, and thus increases confidence in both the auditor and the audit results.
- As auditors' application of the standard will require continuous training and development, it will enhance their professional skills and competence.
- Conducting audits according to international standards is expected to facilitate the internationalization of companies in Iraq.
- Compliance with the standard will increase the level of transparency and accountability, thereby making a significant contribution to the fight against corruption.
- By revealing the strengths and weaknesses of the standard audit process, it will ensure the continuous improvement of the process.
- Compliance with the standard will not only improve the quality of the audit but also increase confidence in the financial statements.

Recommendations

Based on this study the following recommendations can be made to enhance the effectiveness of applying this standard and narrow the expectations gap between auditors and stakeholders:

- Promoting training and professional development: Organizing intensive training courses and workshops for auditors to familiarize them with the details and requirements of International Standard 220.
- Improving the internal control system: Develop effective internal quality control systems in audit offices to ensure compliance with specified standards and procedures.
- Enhancing transparency and communication:

Promote effective communication between auditors and stakeholders through periodic meetings and progress reports.

- Support of regulatory bodies: Enhancing cooperation between audit offices and regulatory bodies to provide a supportive environment for implementing Standard 220.
- Encouraging the exchange of experiences and best practices: Establishing forums and seminars to exchange experiences and best practices between audit offices regarding the application of International Standard 220.
- Improve resources and technology: Investing in modern auditing technology to enhance the efficiency and quality of auditing operations.
- Encouraging transparency and accountability: Encouraging audit offices to adopt transparency and accountability policies at all stages of the audit process.

By applying these recommendations, the effectiveness of implementing International Standard 220 in Iraq can be enhanced, contributing to improving the quality of audits and narrowing the expectations gap between auditors and stakeholders.

Statement of Research and Publication Ethics: This study has been prepared in accordance with the rules of scientific research and publication ethics. Ethics Committee approval of the research was received by the decision of Tokat Gaziosmanpaşa University Social and Human Sciences Research Ethics Committee dated 16.04.2024 and numbered 07-34.

Informed Consent: Informed consent was obtained from all participants in the study.

Peer-review: Externally peer-reviewed.

Author Contributions: Concept-A.A.; Design-A.A., İ.Ç.; Supervision-İ.Ç.; Resources-A.A.; Materials-A.A.; Data Collection and/or Processing-A.A.; Analysis and/or Interpretation-A.A., İ.Ç.; Literature Search-A.A.; Writing Manuscript-A.A.; Critical Review-İ.Ç.

Conflict of Interest: The authors have no conflicts of interest to declare.

Financial Disclosure: The authors declared that this study has received no financial support.

Use of Artificial Intelligence: Artificial intelligence tools were used solely for English language editing and grammatical improvement.

Arastırma ve Yayın Etiği Beyanı: Bu çalışma bilimsel araştırma ve yayın etiği kurallarına uygun olarak hazırlanmıştır. Araştırmanın Etik Kurul onayı Tokat Gaziosmanpaşa Üniversitesi Sosyal ve Beşeri Bilimler Araştırmaları Etik Kurul Kurulu 16.04.2024 tarihli ve 07-34 sayılı kararıyla alınmıştır.

Katılımcı Onamı: Çalışmaya katılan tüm katılımcılardan onam alınmıştır.

Hakem Değerlendirmesi: Dış bağımsız.

Yazar Katkıları: Fikir-A.A.; Tasarım-A.A., İ.Ç.; Denetleme-i.Ç.; Kaynaklar-A.A.; Malzemeler-A.A.; Veri Toplanması ve/veya İşlemesi-A.A.; Analiz ve/ veya Yorum-A.A., İ.Ç.; Literatür Taraması-A.A.; Yazıcı Yazar-A.A.; Eleştirel İnceleme-i.Ç.,

Çıkar Çatışması: Yazarlar, çıkar çatışması olmadığını beyan etmiştir.

Finansal Destek: Yazarlar, bu çalışma için finansal destek almadığını beyan etmiştir.

Yapay Zeka Kullanımı: Yapay zeka araçları yalnızca İngilizce dil düzenlemesi ve dil bilgisi iyileştirmesi amacıyla kullanılmıştır.

References

Aithal, A., & Aithal, P. S. (2020). Development and validation of survey questionnaire & experimental data—a systematical review-based statistical approach. *International Journal of Management, Technology, and Social Sciences (IJMTS)*, 5(2), 233-251. [\[CrossRef\]](#)

Abdel-lawi, M. (2014). *Mechanisms and methods for narrowing the expectations gap between users of financial statements and auditors' reports* [Unpublished Doctoral Dissertations, University of Algiers].

Ahmed, D. M., & Xdr, M. K. (2023). The effect of using the International Standard Auditing (220) related to quality control in reducing the phenomenon of opinion shopping among external auditors An analytical study of the opinions of a sample of external auditors in the Kurdistan Region of Tikrit. *Journal of Administrative and Economic Sciences*, 19(62,1), 35-57. [\[CrossRef\]](#)

Al-Ali, T. A. (2017). The impact of external auditors' reliance on internal auditing in narrowing the expectations gap: a field study. *Damascus University Journal, for Economic and Legal Sciences*, 33(1), 103-130. [\[CrossRef\]](#)

Al-Hawari, M. A. (2020). The impact of companies' application of governance rules on the relationship between the quality of internal review and the expectations gap-a field study. *Scientific Journal for Financial and Commercial Studies and Research*, 1(2), 193-242. [\[CrossRef\]](#)

Al-Lahibi, I. K. O. H. (2013). A proposed model for activating the role of the organization for the auditing profession in achieving audit quality. *Journal of Accounting and Financial Studies, Higher Institute for Accounting and Financial Studies*, 8(23), 255-288. [\[CrossRef\]](#)

Al-Sabaa, A. A. A. (2016). The impact of fraudulent practices in accounting on the expectations gap in auditing. *Egyptian Journal of Business Studies*, 40(2), 1-35. [\[CrossRef\]](#)

Al-shaqr, N. K., & Al-hajaya, I. S. (2022). The impact of the expectations gap in auditing on the extent of use of financial reports on the internet by institutional investors in Jordan. *Mu'tah Research and Studies, Humanities and Social Sciences Series*, 37 (6), 107-138. [\[CrossRef\]](#)

Al-Tamimi, H. (2006). *An Introduction to Auditing from a theoretical and practical viewpoint (Edition 3)*, Wael Publishing House, Amman: Jordan.

Fraser, I., & Pong, C. (2009). The future of the external audit function. *Managerial Auditing Journal*, 24(2), 104-113.

Haiba, S., Abdelkader, A., & Al-Eid, A. (2017). The impact of applying international auditing standards in improving the quality of external auditing. *Journal of Administrative and Financial Sciences*, 1(1), 424-436. [\[CrossRef\]](#)

Hama Amin, O. A., & Mohammed, G. A. (2021). The impact of analytical procedures on reducing the expectations gap in the audit environment: an exploratory study of the opinions of a sample of academics and external auditors in the Kurdistan Region / Iraq. *The Scientific Journal of Cihan University– Sulaimaniya*, 4(2), 195-215. [\[CrossRef\]](#)

Haapamäki, E., & Sihvonen, J. (2019). Research on international standards on auditing: literature synthesis and opportunities for future research. *Journal of International Accounting, Auditing and Taxation*, 35, 37-56. [\[CrossRef\]](#)

Khalil, H. M. (2009). *The extent of the impact of implementing corporate governance on the expectations gap in the auditing profession in Palestine: An analytical study of the opinions of external auditors and investors* [Unpublished Master's Thesis, Islamic University].

Mazoun, M. A. (2011). *Accounting auditing from the perspective of international standards and the extent to which they can be applied in Algeria* [Unpublished Master's Thesis, University of Algiers].

Omar, N. A., & Ahmed, D. M. (2023). The Effect of Using the International Auditing Standard 220/ (Quality Control of Auditing the Financial Statements) in Reducing the Expectations Gap. : An Analytical Study of the Opinions of a Sample of External Auditors in the Kurdistan Region of Iraq. *Mitanni Journal of Humanitarian Sciences*, 4(2), 159-165. [\[CrossRef\]](#)

Porter, B. (1993). An empirical study of the audit expectation-performance gap. *Accounting And Business Research*, 24(93), 49-68.

Rahi, A. (2016). Iraqi laws, regulations and behavioral rules consistent with International Auditing Standard No. 220. *Journal of Management and Economics*, 5(17), 262-284. [\[CrossRef\]](#)

Republic of Iraq, Accounting and Auditing Profession Council. (2024). *Bulletin of certified accountants for the year*. Baghdad, Iraq.

Shaheen, A. H. A., & Zaid, H. Z. N. (2021). The extent to which auditors adhere to professional ethics in narrowing the gap of expectations in the audit environment. *Scientific Journal of Financial and Administrative Studies and Research*, 11 (2), 1-15. [\[CrossRef\]](#)

Yıldız, E., Cengiz, S., & Bulut, E. (2017). Independent auditing expectation gap: a research on Turkey. *Journal of Accounting and Taxation Studies*, 10(3), 331-365. [\[CrossRef\]](#)

Zein, A. A. M., & Diab, M. A. A. & Abdel Ghaffar, A. M. A. (2018). Judicial review and its role in reducing the expectations gap: a field study in the Egyptian business environment. *Scientific Journal for Research and Commercial Studies*, 32(2), 333-394. [\[CrossRef\]](#)

Genişletilmiş Özeti

Denetimdeki beklenen boşluğu, kamunun ve diğer paydaşların denetçilerin sorumlu olduğu inandıklarıyla denetçilerin mesleki standartlarına göre gerçekleştirdikleri arasındaki farkı ifade eder. Bu boşluk, bir denetçinin görevlerinin niteliği ve kapsamı hakkında yanlış anlamalara ve gerçekçi olmayan beklenenlere yol açabilir. Beklenen boşluğunun olumsuz yönleri arasında denetim mesleğine duyulan güvenin azalması, kamuoyundan gelen inceleme ve eleştirilerin artması ve paydaşların yanlış yönlendirildiklerini düşünmeleri veya denetim sonuçlarından memnun olmamaları halinde denetçiler için potansiyel yasal yansımalar yer almaktadır.

Beklenen boşluğun azaltmaya yönelik araçlardan biri Uluslararası Denetim Standardı (UDS) 220'dir. UDS 220 esasen finansal tabloların denetiminde kalite kontrolüne odaklanan bir standarttır. Denetçinin sorumluluklarını ana hatlarıyla belirtir ve denetim süreci boyunca kalite kontrol prosedürlerinin sürdürülmesinin önemini vurgular. UDS 220'ye bağlı olarak denetçiler, paydaş beklenenlere yönetim ve beklenen boşluğunun azaltmaya yardımcı olan tutarlı, yüksek kaliteli bir denetim yaklaşımı izlediklerinden emin olabilirler.

Bu çalışmanın amacı Irak'ta denetimde beklenen boşluğunun nedenlerini ortaya koymak ve UDS 220'ye uyumun bu boşluğun azaltmadaki rolünü denetçilerin bakış açısından değerlendirmektir. Çalışmanın amaçlarına ulaşmak ve hipotezlerini test etmek için Irak'taki mali müşavirlere ve denetçilere üç bölümden oluşan bir anket dağıtılmıştır. Dağıtılan 433 anketten 224 geçerli yanıt Sosyal Bilimler için İstatistik Paketi (SPSS) kullanılarak analiz edilmiştir. Araştırmada elde edilen verilerin analizi sonucunda kalite yönetimine ilişkin UDS 220 ile beklenen boşluğunun daraltılması arasında güçlü ve doğrudan bir ilişki olduğu ve kalite kontrolüne ilişkin UDS 220'nin beklenen boşluğunun daraltılmasında önemli bir etkiye sahip olduğu tespit edilmiştir.

Irak'ta denetimde beklenen boşluğunun, esas olarak yerel yasa ve mevzuattaki eksikliklerden kaynaklandığını ve bu durumun nedenlerini ortaya koymuştur. Ayrıca, korelasyon ve regresyon analizi, UDS 220'ye uyum ile beklenen boşluğunun daraltılması arasında anlamlı bir pozitif ilişki olduğunu göstermiştir. Bu durum, UDS 220'ye uyumun beklenen boşluğun azaltma ve denetim sürecini iyileştirme üzerinde önemli bir etkisi olduğunu göstermektedir.