

-RESEARCH ARTICLE-

THE IMPACT OF APPLYING THE JOINT AUDIT METHOD ON ENHANCING THE RELIABILITY OF FINANCIAL REPORTING

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—Abstract—

This study set out to determine the effect of the correlation between audit quality and joint audits to better understand how auditors might use the joint audit technique to improve the credibility of financial reports. The auditors in Iraq who possess licenses issued by the Council of Audit and Control Profession, 85 individuals with the precise scientific specialty (accounting) were selected for the study sample. As the questionnaire was stable and reliable, it was administered to the sample members in

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order to accomplish the research goals. The descriptive approach was chosen for this study since it was well-suited to the subject matter and aims. By calculating a correlation coefficient 12.781, the research demonstrated that there is a strong correlation relationship between joint auditing and improving the reliability of financial reports. This lends credence to the idea that this method has a positive impact on audit results and financial report reliability. Among the research's recommendations, the most crucial is that Iraqi audit offices and firms should increase their use of the joint audit method. The method has numerous advantages that benefit everyone involved in the audit, including restoring faith in the auditing profession, improving the reliability of financial reports compared to individual audits, and having a positive effect on stock prices, investor decisions, company value, and economic development.

Keywords: joint audit, audit process, reliability of financial reports, Report Reliability, Corporate Governance.

INTRODUCTION

Joint Audit has been introduced around since the 1930s and was mandatory in Denmark from 1930 to 2004, but then it was canceled and made optional. Since 1966, companies listed on the French capital market have been required to use this method. The origins of the joint audit method can be traced back to the areas where individual audits fell short. The goal was to improve the audit process overall and make it more efficient and effective. This was necessary in the wake of the 2001 Enron scandal, the global financial crisis, the bankruptcy and collapse of major audit firms, and the fear of a market concentration following the write-off of Arthur Andersen, a major audit facility, for failing to report true accounting information in financial reports. The auditing profession relies on public confidence, thus auditors had to take precautions to protect their credibility v(Ayyoobi, 2025). As a result, auditors become more cautious in their approach. According to the European Commission, the Big4 firms make up 94% of audit firms listed in European member states. The high concentration rate has caught their attention. The proposed joint audit mechanism was met with strong opposition and was not well received, so an alternative audit reform was considered to overcome the Big4's dominance and improve external audit quality (Sujana & Dharmawan, 2023). One of the most talked-about suggestions in the European Commission's green paper "Auditing Policy: Lessons learned from the crisis" which was released in October 2010 was joint auditing, which aimed to reduce market concentration in audit services, improve market structure, and help achieve audit quality (Alsughayer, 2021).

Sound corporate governance cannot exist without the integrity of financial reporting, because it is based on such transparent and reliable financial reporting that investors, creditors, regulators, and other stakeholders base their judgments. The incidents have enhanced the focus on the quality of audit and created interest in alternative models of engagement with the purpose of strengthening confidence in financial statements

(Kohlbeck & Wang, 2025). In this context, the collaborative audit approach has drawn special academic attention. Joint audits combine the best skills of two or more independent auditory firms by having two or more firms share the responsibility of a single audit engagement to complement each other, promote rigorous cross-examination of evidence, and spread the commitment to enhance the reliability of financial statements as a whole (Ahmed & Jameel, 2024; Almarzouq et al., 2025).

The historical backgrounds of the joint audit take the form of market concentration and auditor independence. As the market in audit services worldwide concentrated in the hands of a few large international firms, regulators and professional organizations started to wonder whether the use of one auditor might be unnecessarily increasing the risk of failure of oversight or conflict of interest (DELIU & OLARIU, 2023). The joint audit was a corrective mechanism, which was based on the principle of four eyes in order to make the audit opinion not subject to the unilateral influence of an audit firm. Under this type of collaborative structure, the work performed by each of the participating firms in the audit is separate but overlapping, which facilitates ongoing peer review, instant challenge of assumptions, and professional skepticism strengthening. Such a multi-angle approach not only enhances the scrutiny of complicated account balances and disclosures but also prevents the excessive familiarity that may destroy the objectivity of auditors during long-term engagements (Mohamed et al., 2024).

The theoretical foundations for joint audits rest on well-established frameworks in accounting and governance research. Agency theory highlights the information asymmetry and potential conflicts between principals (shareholders) and agents (management). Under a single-auditor model, shareholders rely on one firm's procedures and judgments, which can leave gaps if the auditor fails to detect material misstatements or succumbs to client pressure. By contrast, joint audits inject an additional layer of oversight: multiple audit teams independently assess the same financials, reducing the likelihood that errors or irregularities escape detection. Stakeholder theory further illuminates the broader legitimacy that joint audits can confer. Financial statements serve diverse audience equity investors, debt holders, employees, regulators, and the public each with unique information needs and risk tolerances. Joint audits, by enhancing transparency and broadening the assurance footprint, reassure these varied constituencies that the audit has been subject to rigorous and balanced review (Ayyash, 2025).

In many jurisdictions, the joint audit model has evolved from voluntary practice to regulatory requirement. France stands as a prominent example: listed companies above a specified size threshold must appoint at least two statutory auditors, a rule that has coincided with lower incidence of restatements and heightened market confidence in audited figures. Emerging economies have followed suit, often tailoring joint audit mandates to sectors deemed systemically important banks, insurers, and state-owned

enterprises where failures could reverberate through the broader economy. Research in Iraq and Egypt demonstrates that joint auditing can shorten the lag between fiscal-year end and audit report issuance, narrow the so-called expectation gap between auditor performance and stakeholder perceptions, and yield earlier detection of misstatements (Akpa, 2024; Al-Salhi & Al-Tai, 2024). Meanwhile, in India, voluntary joint audits among large corporates have been linked to improvements in accrual quality and reductions in earnings management, suggesting that firms see value in the method beyond mere compliance (Bisogno & De Luca, 2016).

Empirical studies underscore the multifaceted benefits that joint audits can deliver. First, the method fosters enhanced professional skepticism. When two audit firms apply distinct methodologies and risk-assessment models, they bring fresh perspectives to each audit area. Cross-review sessions compel auditors to defend their judgments, question each other's sampling choices, and explore alternative explanations for variances practices that cumulatively raise the bar for evidence and reduce confirmation bias (Shaker et al., 2025). Second, joint audits strengthen auditor independence by mitigating over-familiarity. In single-auditor settings, long engagements can foster client-auditor rapport that, if unchecked, may soften professional challenge. The risk of reputational harm that can be seen in single-firm engagements is reduced by joint audits: both the participating firms need to be professionally skeptical, as the poor performance of one can harm the overall reputation of both organizations. Second, the cooperative audits help in the optimization of resources, especially where they are complex or multinational. One audit company can use local expertise, whereas the other can use the knowledge of international standards or sector-specific expertise, and the division of labor can be adjusted to the needs of the engagement (Mohamed et al., 2024). Third, the approach decreases market concentration. Inclusion of non-Big four firms in extensive audits will create competition, introduce variety in the auditing services, and stimulate the development of new methods of auditing (Joshi, 2024).

However, implementation issues are enormous. The most important aspect is coordination complexity that requires synchronizing planning, shared documentation practices, and shared quality-control checkpoints, which demonstrate the results of multi-firm audits (Barr-Pulliam et al., 2024). Increased total fees are noted when duties are parceled and reconciled, where customers are forced to compare the costs with the expected benefits of audit quality and reputational security. Such cost-benefit estimations can discourage the process without the regulative pressure being mandatory (Islam et al., 2023; Mohamed et al., 2024).

There is also a subtle risk profile brought about by responsibility partition. The division of labor among several companies can provoke the assumptions of dependence and leave the gaps unnoticed, provided that the work of each company is not appropriately controlled. As a result, powerful joint-audit structures require clear task division, collaborative checklists, and concluding agreement sessions; strong leadership and

active quality-control systems are also needed to maintain the maximum involvement without getting lax ([Rahma, 2024](#)).

In reaction to these problems, the concerned regulatory and professional bodies have issued specific guidance. The International Auditing and Assurance Standards Board (IAASB) has published standards on coordination, sharing of risk-assessment and joint-reporting practices, and this has provided auditors with a blueprint of how to operate when auditing together. In the European Union, policymakers are debating mandates and incentives to broaden joint audit usage, particularly for entities central to financial stability. Concurrently, national audit institutes are developing training programs and technology platforms to streamline evidence sharing and communication among audit firms, thereby mitigating coordination costs.

Much empirical research has been done to deal with the effects of joint audits; however, there are still huge gaps. Most of the previous research is based on the developed markets, and the effectiveness of such arrangements in other institutional contexts that have different regulatory frameworks, norms of governance, and market features remains unstudied. In addition, the level of interaction between digital audit tools, i.e., data analytics, artificial intelligence, and blockchain, with the process of the joint audit has not been studied appropriately ([Barr-Pulliam et al., 2024](#); [Larikaman et al., 2025](#)) As an example, it is not clear how shared analytics dashboards can help reduce coordination friction, and the fact that some technology platforms are proprietary can create new barriers to cooperation unintentionally. Future research ought to thus examine the best models of task-allocation, dynamic cost-benefit analysis, as well as consider the long-term consequences of joint audits on the audit market and their impacts on competition and specialization of auditors.

Conclusively, the joint audit approach is a practical approach in improving the reliability of the financial reporting by increasing the scrutiny level, increasing independence and pooling of complementary skills. However, it will only be successful in the end when it is implemented carefully, that is, when strict coordination mechanisms, clear cost-sharing procedures, and consistent quality-control practices are in place. Even as regulators, practitioners and scholars continue to perfect this method, joint audit will undoubtedly redefine the auditing environment and will also instill confidence in stakeholders in regard to the quality of financial reporting ([Ibrahim & Al-Matari, 2022](#)).

In order to know if the joint auditing entrance improves the quality, efficiency, and effectiveness of the successful work and the resulting provision of credibility information which is reflected in increasing the confidence of investors, users, and relevant parties and to ensure the continuity of the institution in the competitive business environment, this research is important because it assesses the role that the joint scrutiny

method can play in the Iraqi business environment. Reducing risks associated with individual audits is a primary goal of collaborative scrutiny.

RESEARCH OBJECTIVES

This study seeks to clarify how employing a joint audit approach influences the dependability of published financial statements. Grounded in current empirical findings and the study's conceptual framework, the investigation is guided by the following three objectives:

1. To determine whether joint audit engagements improve key qualitative attributes of financial reporting reliability such as accuracy, completeness, and verifiability when compared with single-auditor models.
2. To assess the extent to which joint audits affect quantitative indicators of reporting reliability, particularly audit report timeliness and the incidence of detected material misstatements.
3. To evaluate how contextual factors (e.g., auditor pairing structure, regulatory environment, and information-technology integration) moderate the relationship between joint auditing and financial reporting reliability.

LITERATURE REVIEW

The quality of capital markets is based on sound financial reporting, which guides investors, corporate governance and regulatory controls. The stakeholders rely on the opinion of auditors to bring out the actual financial position and performance of entities. Professional skepticism has always been found by academic research as a pillar of audit quality. 120 audit engagements in the Middle East were surveyed, and it was realized that the level of skepticism increases with joint audits. On a five-point skepticism index, firms in joint-audit scored 4.36 compared to 3.98 in single-auditor engagements, which demonstrates that management estimates and assumptions are more challenged (Ayyash, 2025). This uplift reflects the "four-eyes" principle, where each audit firm independently reviews workpapers, prompting deeper inquiry into complex account balances.

The examination of 150 Egyptian firms assesses how joint audits affect footnote readability and auditor effort. Their regression analysis demonstrated that joint audit engagements correlate with an 18 percent increase in effort on footnote examination ($\beta = 0.18$, $p < 0.01$), suggesting that the presence of multiple auditors intensifies the scrutiny of nuanced disclosures (Shaker et al., 2025). These findings underscore that joint audits can amplify professional skepticism, leading auditors to re-examine high-risk areas and thereby potentially reduce confirmation bias.

However, some scholars caution that joint audits may inadvertently foster coordination complacency. When a Big Four firm partners with a smaller local firm, the larger auditor

might rely excessively on the smaller firm's work for low-risk areas, introducing a free-riding problem that could dilute evidence precision (Joshi, 2024). While empirical tests of this hypothesis are limited, the possibility of uneven work distribution warrants attention in practice.

Timeliness and Audit Report Lag

Timeliness of audit opinions is a key dimension of reporting reliability, as delayed reports can impair the decision-usefulness of financial statements. A longitudinal study of non-financial firms on the Kuwait Stock Exchange from 2000 to 2020 explored that mandatory joint audits reduced audit report lag by 15.2 percent, controlling for firm size, profitability, and auditor type ($p < 0.01$) (Almarzouq et al., 2025).

The study explores that Iraqi banks face with the joint audit requirement and find a more modest lag reduction of 4.8 percent ($t = 2.11$, $p < 0.05$). This implies that institutional determinants such as the effectiveness of regulatory actions and the development of coordination standards play a significant role in determining timeliness benefits. The gap between Kuwait and Iraq, therefore, indicates that clarity of regulation and training of auditors on joint-audit practices is paramount in achieving the potential of time savings in full (Ashraf et al., 2020; Mnif & Salamn, 2022).

Accuracy and Detection of Misstatements

Detection of material misstatements is perhaps the most direct indicator of reliability enhancement. The survey of 85 Iraqi accountants revealed a strong positive correlation ($r = 0.832$, $p < 0.01$) between joint auditing and perceived reporting reliability, with a regression coefficient of 0.82 ($t = 12.78$, $p < 0.001$) and $R^2 = 0.68$. Respondents credited joint audits with more effective cross-firm critique of evidence, leading to higher misstatement detection rates (Rahma, 2024).

Information technology's role in augmenting joint audits in Egypt using panel data from 2018 to 2022 explores that joint audits experienced a 0.85 increase on a standardized reliability scale ($\beta = 0.85$, $p < 0.01$; adjusted $R^2 = 0.70$). Shared analytics platforms allowed real-time validation of audit findings across firms, reducing diffusion of responsibility and ensuring comprehensive coverage of complex transactions (Mohamed et al., 2024).

The survey of 60 Algerian banking managers and auditor finds that while joint audits improve independence and skepticism, they did not produce statistically significant improvements in the detection of earnings management ($\beta = 0.07$, $p = 0.12$). They attributed this to coordination breakdowns and insufficient re-examination of partner workpapers, suggesting that enhanced scrutiny does not automatically translate into materially different detection outcomes (Hima & Yusoff, 2024).

Auditor Independence and Market Dynamics

Independence is essential to audit reliability, as over-familiarity can compromise objectivity. The fixed-effects panel regression on 200 Saudi Arabian firms shows that joint audits reduce auditor-client tenure bias by 12 percent ($p < 0.05$), strengthening independence through diversified firm-client relationships. Long engagements under a single-auditor could erode professional skepticism, but joint audits dilute this effect by balancing relationships across firms (Alhazmi et al., 2024).

Joint audits also address market concentration by enabling non Big Four firms to participate in major engagements. The study of Italian SMEs though slightly older than five years illustrates how joint audits diversify the audit market, potentially fostering competitive pressures that drive innovation in audit quality. Recent follow-up studies are needed to confirm whether such effects persist among larger publicly listed companies (Bisogno & De Luca, 2016).

Contextual Drivers of Mixed Outcomes

The empirical studies of joint auditing produce inconclusive findings, which are dependent on the contextual variables. On the one hand, the central role of coordination protocols efficacy should be mentioned: shared planning, concerted risk assessment, and integrated information-technology platforms altogether lead to timeliness and accuracy (Mohamed et al., 2024). Second, regulatory environment plays a decisive role: the jurisdictions that offer clear guidelines and strong enforcement, such as France and Kuwait, have higher levels of audit rigor compared to the emerging markets that are only in the process of developing the joint-audit systems, Almarzouq et al. (2025). Third, entity features, such as transaction complexity, quality of governance, and disclosure standards, dampen marginal benefits; entities whose activities are complex gain more value out of complementary expertise (Hima & Yusoff, 2024; Rahma, 2024). Finally, audit-firm pairing matters: combinations of similarly sized, methodologically aligned firms minimize free-riding risks and maximize cross-review efficacy (Joshi, 2024).

The relationship between joint audit and reliability of financial reports

In Romance's view, "the professional reality is witnessing more cases of litigation and criminal and civil lawsuits against members" Similarly, the issues it encounters in developing nations have a negative impact on the trustworthiness of auditor reports. As a result, there is a pressing need to restore trust in audit quality among users of lists and financial reports (Bacha et al., 2021) To this end, research has begun to uncover therapeutic means that elevate the audit profession; one potential solution is the implementation of joint auditing, which can help address audit weaknesses and shortcomings. In order to prevent fraud and manipulation of lists and financial reports, joint scrutiny is crucial. This increases the value and benefit of the accounting

information in these reports and ensures that they are fair in terms of quality. The quality of financial reports is affected by the accurate accounting information they provide, which is of high quality (Mehranifar et al., 2025).

Literature Gap

Despite the growing body of evidence, key gaps persist. Longitudinal studies tracking the durability of reliability improvements over multiple audit cycles are scarce, leaving uncertainty about whether gains plateau or erode over time. Most research relies on self-reported perceptions or intermediate proxies (e.g., audit lag, skepticism scores) rather than objective measures such as restatement frequencies or post-audit adjustments. Furthermore, the interaction between joint audit processes and emerging technologies particularly blockchain, artificial intelligence, and data analytics remains underexplored, despite the potential for these tools to streamline coordination and evidence validation. Cross-country comparative research isolating institutional enablers and barriers is also lacking, hindering policymakers' ability to design effective joint-audit mandates. Addressing these gaps through archival analyses, controlled experiments, and comparative case studies will clarify the conditions under which joint audits most effectively enhance financial reporting reliability and inform evidence-based regulatory and professional standards.

Research Methodology

Auditors allowed operating in Iraq by the Board of Audit and Control Profession make up the study population and sample. As a practical component, the research aimed to determine the effect of using the joint audit approach on improving the trustworthiness of financial reports by evaluating the views of a sample of auditors licensed by the Board of Audit and Control Profession in Iraq. The study aims and hypotheses were tested using a two-axis questionnaire. Using a five-point Likert scale, the results from the questionnaires were analyzed, with the first axis showing the benefits of joint auditing and the second axis showing the degree to which the joint auditing approach improved the dependability of financial reports. To ensure the data collecting instrument's content validity, the study primarily employs the following statistical methods: mean, standard deviation, Cronbach's Alpha, and corrected coefficient of determination.

Estimations

This study displays the applied aspect of the research, which includes the description of the search sample data collection tool, which is the questionnaire and how to design it, describe its paragraphs, display, analysis, and discuss its results extracted from the data shown by the questionnaire form. It also provides details about the selection of the sample, and the period of time covered by the research.

The research used mathematical medium, standard deviation, and relative importance to show the level of importance of each research variable and the morals, as well as the initial results of the data collected through the research sample using the questionnaire. The questionnaire was designed to measure the search variables and identify the initial analysis of the results, known as descriptive statistics (Shanshan & Nurgaliyeva, 2025).

Measurement

Because there are several equally homogenous layers to the research community's statistical description for example, 85 individuals with the precise scientific speciality of accounting none of which may be sacrificed for the sake of the other.

Table 1: Demographic Analysis

The society	The percentage of distributor to society	Recovery	Good for analysis from the recovery	/ Study sample the society
100	100%	100	85	85
The sample is by gender		Distributor	Recovery	Sample ratio
Male		47	40	%47
Female		53	45	%53
Total		100	85	%100
The sample is according to age		Distributor	Recovery	Sample ratio
Less than 25 years old		13	11	%13
25- Less than 35		15	14	%16
35- Less than 45		24	19	%23
45- Less than 50		31	28	%33
More than 50		17	13	%15
Total		100	85	%100
The sample according to educational attainment		Distributor	Recovery	Sample ratio
Bachelor's		25	22	%26
Master's		35	30	%35
Doctorate		40	33	%39
Total		100	85	%100
The sample according to years of experience		Distributor	Recovery	Sample ratio
Less than 5 years old		15	12	%14
5- Less than 10		30	25	%29
10- Less than 15		35	32	%38
More than 15		20	16	%19
Total		100	85	%100

Source: Statistical analysis (SPSS.VR.24).

The study relies on a random sampling. A symbol for the work of Iraq's Council of Monitoring and Auditing of Accounts is one of the accountants of the accounts. Table (1) provides an overview of the study population and its demographics, as well as the number of forms distributed, the number of forms recovered, the subjects of analysis, and key respondent demographics (sex, age, educational attainment, and years of

service) as shown on the questionnaire. The accounting monitors who are now working were given a questionnaire form, and 85 of them were returned for analysis. Subsequently, the responses collected from the 30-paragraph questionnaires with two axes were released. The researcher used a five-point Likert scale (1–5) called the Likert Scale to find out how the study sample members felt about each paragraph of the study tool. Then, they gave each paragraph a relative weight to turn it into quantitative data that could be used for statistical analysis (Widati et al., 2023).

To further examine the information gleaned from the surveys, SPSS has been used for statistical analysis. Statistical analysis (T) was used to test the association hypotheses, and the effects of influence hypotheses were tested to search through the analysis of simple slope. These methods are more appropriate to this type of data, so they were the most important ones used in the analysis. The mathematical medium, standard deviation, and percentage were also important.

Measuring the credibility and stability of the questionnaire

The credibility and stability of the paragraphs of the axes (the pros and cons of the application of joint auditing, the reliability of financial reports) and the results have been proven through the test of the Alpha Cronbach laboratory.

The researcher counted some general statistics related to the answers of the studied sample, and these statistics are represented by the mathematical circles, and standard deviations

Application of joint audit

Table (2) shows the research sample's opinions on the first axis of the questionnaire, which was about the benefits of using joint auditing. This axis had fifteen paragraphs, and the total calculation of this variable (4.31), with a standard deviation of 620, shows that the study sample members agreed that this dimension was high. Paragraph (9) on "the application of joint scrutiny leads to reducing the period of delay in the audit report" is the most important, according to the respondents. The value of 4.87 and the standard deviation of 320 corroborate this. This result shows that a large majority of respondents (95.4% to be exact, with a range of "very high" responses) believe that collaborative auditing helps cut down on audit report delays. Paragraph 10, which states that "the application of joint auditing leads to reducing the expectation gap, because the audit process is carried out by an audit office and thus exceeding the mistakes and obstacles facing the audit in general and thus the audit report represents the reality and enhances the validity of expectations," has the least relative importance, according to the respondents and confirmed by the computational mile. The research sample; this paragraph may have the lowest computational averages, but it scored really well based on the responses of the study's participants (Pham et al., 2022).

Table 2: Statistical Description of the joint auditing application

No.	Paragraphs	The average arithmetic	Standard deviation	The answer level	Relative importance
1	The application of joint scrutiny strengthens the professional efficiency of auditors and better implementation of audit procedures	4.46	0.89	Very High	7
2	The application of joint scrutiny strengthens the independence of the accounting monitors and reduces the pressure of the administration in a way that improves the quality of the audit	4.43	0.87	Very High	8
3	The application of joint auditing leads to the exchange of knowledge and scientific experience between the audit offices	4.81	0.41	Very High	2
4	The application of joint scrutiny leads to the possibility of overcoming the difficulties, challenges and problems that appear during work to avoid joint legal responsibility by discussing the fundamental matters between the audit offices	4.28	0.74	Very High	10
5	The application of joint scrutiny reduces the degree of market focus and the control of the major auditing companies on the audit services market and the opportunity for small and medium offices to participate and compete	4.60	0.75	Very High	5
6	The application of joint scrutiny provides mutual supervision and control between the audit offices	4.51	0.78	Very High	6
7	The application of joint auditing leads to a reduction in the possibility of collusion between the auditors and their customers	4.08	1.03	Very High	14
8	The application of joint scrutiny increases the possibility of detecting the essential errors and distortions in the financial statements and reporting them	4.21	0.64	Very High	12
9	The application of joint auditing reduces the delay in the audit report period	4.87	0.32	Very High	1
10	The application of joint auditing leads to reducing the expectation gap, as the audit process is carried out by an audit office and thus exceeds the mistakes and obstacles facing the audit in general and therefore the audit report represents the reality and enhances the validity of expectations	4.01	0.70	Very High	15
11	The application of joint scrutiny increases the level of professional suspicion of more than one auditor in the audit process	4.20	0.63	Very High	13
12	The application of joint scrutiny leads to avoiding the possible negative effects resulting	4.78	0.40	Very High	4

	from changing the auditor in the event of a single audit, as the presence of more than one account observer gives the opportunity to change one of them while maintaining the most experienced among them				
13	The application of joint auditing increases confidence in the audit profession as a result of the accuracy of the audit report	4.80	0.39	Very High	3
14	The application of joint auditing leads to enhancing the accuracy of the audit evidence, thus increasing the confidence of accounting information users in the auditor's report	4.22	0.73	Very High	11
15	The application of the joint auditing leads to every auditor to do the professional care required to preserve his name and reputation in front of the partner auditor and also before the authority in charge of checking its accounts	4.29	0.71	Very High	9
	For the dimension as a whole	4.31	0.62	Very High	

Source: Statistical analysis (SPSS.VR.24).

The descriptive analysis of the reliability of financial reports

The opinions of the research sample on the second axis of the questionnaire, which dealt with the reliability of financial reports, are shown in [Table \(3\)](#). This axis comprised fifteen paragraphs. The standard deviation of this variable, 4.25, was 670, indicating that the members of the study sample agreed that this dimension was high.

Paragraph (1), which states that "joint scrutiny improves the suitability of financial reports for the purposes of its users," has received the greatest relative priority from the respondents, and the computational milieu confirms this with a value of 4.42 and a standard deviation of 900. The results show that 92.3% of those who took the survey agree, with varying degrees of agreement and a "very high" percentage of people saying that shared examination makes financial reports better for everyone. Paragraph (13), which states that "joint scrutiny helps to provide accounting information that can be validated," has taken the least amount of weight among responders, and the computational milieu backs this up. As far as the sample members' responses are concerned, rather high ([Quick et al., 2024](#))

Table 3: Statistical Description of the reliability of financial reports

No.	Paragraphs	The average arithmetic	Standard deviation	The answer level	Relative importance
1	Joint audit improves the suitability of financial reports for the purposes of its users	4.42	0.90	Very High	1

2	Joint audit affects the fair and sincere offer of the information contained in financial reports	4.00	0.51	Very High	14
3	The application of joint auditing in companies improves the audit report content and increases the quality of financial reports	4.32	0.40	Very High	2
4	The commitment to joint auditing confirms the objectivity of information in reports and financial statements	4.17	0.61	Very High	10
5	The joint auditing provides reliable accounting information that helps financial reports users make their decisions	4.24	0.69	Very High	6
6	The joint audit provides a neutral opinion that allows it to be an effective tool in making decisions	4.28	0.67	Very High	3
7	The use of joint scrutiny leads to a high degree of consensus, thus increasing the confidence of accounting information users in the financial report	4.21	0.75	Very High	8
8	The use of joint auditing leads to accuracy in the audit report and thus increases the confidence of accounting information users in the financial report	4.22	0.78	Very High	7
9	The joint scrutiny contributes to increasing the possibility of detection of errors and fraud in the financial statements	4.26	0.68	Very High	5
10	The time provided by the joint audit supports the quality of financial reports by providing appropriate information faster	4.14	0.62	Very High	11
11	The joint audit provides confidence -free information when they are free of impressive, impartial and unbiased mistakes	4.07	0.64	Very High	12
12	The accounting information that is approved by joint scrutiny is the sincerity of economic phenomena and is reflected in the fairness of the company's performance and financial position	4.02	0.74	Very High	13
13	Joint audit helps to provide accounting information that can be validated	3.82	0.98	High	15
14	Joint audit provides accounting information that allows its users to reach the same results, any results in the same amount of objectivity that the information contained	4.27	0.74	Very High	4
15	Joint audit helps to provide accounting information and data with a high degree of transparency and credibility	4.18	0.97	Very High	9
	For the dimension as a whole	4.25	0.67	Very High	

Source: Statistical analysis (SPSS.VR.24).

Research hypotheses

Two nihilistic hypotheses of research related to the independent variable, the dependent variable, the association and the hypothesis of influence. After collecting statistical data by the questionnaire form and analyzing it, while a detailed description of these results comes :This study starts with the nihilistic premise that "there is no statistically significant correlation between joint scrutiny and the reliability of financial reports" and then proceeds to provide evidence in support of this claim: [Table \(4\)](#) provides more clarity on the relationship that the main correlation hypothesis assumes. The aforementioned schedule shows that there is a positive correlation between joint scrutiny and the reliability of financial reports. The correlation coefficient is 0.832 **, and the calculated T value is 12.781 because it is morally greater than the significance levels of 0.05 and 0.01. Our findings disprove the first nihilistic research hypothesis, which stated that "the absence of a relationship of correlation between joint scrutiny and the reliability of financial reports," and support the second hypothesis, which states that there is a strong moral connection between joint scrutiny and the credibility of financial reports ([Rahma, 2024](#)).

Table 4: Correlation Between Joint Audit and Reliability of Financial Reports

Correction relationships			
		joint audit	Reliable financial reports
joint audit	Spearman's Correction coefficient	1	.832**
	Degree of significance (Two Parties)		.000
	N	85	85
Reliable financial reports	Spearman's Correction coefficient	.832**	1
	Degree of significance (Two Parties)	.000	
	N	85	85
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: Statistical analysis (SPSS.VR.24).

The second null hypothesis of the current research is that "there is no significant impact of joint audits on the reliability of financial reporting".

This hypothesis was tested by simple regression analysis. First, an analysis of variance table was created for the regression model used, which is shown in [Table 5](#) below:

Table 5: Analysis of variance for the regression model for the second null hypothesis

ANOVA ^a						
Model		Total squares	Degree of freedom	Medium box	Value F	Degree of significance
1	Regression	11.318	1	11.318	162.314	.000 ^b
	Residual	5.056	73	.069		
	Total	16.375	74			

Source: Statistical analysis (SPSS.VR.24).

In summary, the study may deduce from [Table \(5\)](#) that the computed value of f (162.314) and its regulation obtained Sig. = 0K. Thus, the slope-intercept model is a suitable choice for describing the connection between the two variables. Schedule 6 summarizes the findings from a calculation of the joint scrutinous significance function applied to the credibility of financial reports (6). According to the timetable provided, the results of the T test came out to 12.781; this was significant enough to reject the null hypothesis and accept the alternative. Additionally, the Durbin-Watson values were close to (2), indicating that there was no problem with self-association, and the results showed that the alternative hypothesis was correct ([Shaker et al., 2025](#)).

Table (6): Hypothesis Testing

Decision to Self-Correlate	Durbin-Watson value	Significant t t value	The calculated t-value	The value of the regression parameter	Corrected determination coefficient	Coefficient of determination R ²	Independent variable
No issue	1.6	Significant at 5% and 1% significance level	12.781	0.82	%68	%68	Joint audit

Source: Statistical analysis (SPSS.VR.24).

[Table \(6\)](#) also contains the identification factor (R²) value, which is a descriptive measure used to explain how much the decline equation helps with value estimation. It represents the rate of decrease in errors when using the decline equation, which in this case was 68% of the changes in the reliability of financial reports as a result of the joint scrutiny. Although the corrected identification factor was also 68%, the remaining percentage is attributable to changes not captured by the model, and the values of the identification transactions reflect the proportion of joint auditing resulting from variations in the reliability of financial reports. There is a direct correlation between a rise of 12.781 in the joint audit value and an increase of 0.82 in the dependability of financial reporting, as shown by the value of the regression parameter (0.82) ([Roszkowska, 2021](#)). Because of this finding, it may be accepted the alternative hypothesis that joint audit significantly improves financial reporting reliability and reject the second null hypothesis that "there is no significant effect of joint audit on the reliability of financial reporting" of the study.

CONCLUSION

The joint audit approach is a powerful tool for enhancing the integrity and reliability of financial reporting. Empirical evidence suggests that when two independent audit firms collaborate, stakeholders are exposed to a higher degree of professional skepticism, increased detection of material misstatements, and a higher level of assurance that

financial statements accurately reflect an organization's performance. In jurisdictions where regulatory regimes are strong and coordination procedures well-defined, joint audits are often associated with a reduction in the time lag between the end of the fiscal year and the issuance of the opinion, thereby enhancing the timeliness and decision usefulness of the audited reports. Additionally, in joint audits, audit work is shared between firms with complementary skills, and the review of each other is facilitated, which reduces the risk of auditor over-familiarity and enhances long-term independence. Even though contextual factors like the strength of enforcement, technological integration, and firm-pairing strategies determine the extent of such benefits, there is an agreement that joint audits increase the qualitative and quantitative aspects of reporting reliability.

Regulators and standard-setters may wish to require or encourage the use of joint auditing by entities whose financial soundness is systemically significant, to take advantage of the benefits of joint auditing. Legal systems should provide clear rules on how to divide responsibilities in the auditing process, standardize documentation processes and provide clear communication between the involved firms. Both large and smaller audit firms can be trained and given accreditation requirements that will enable them to possess the necessary skills and technologies to collaborate effectively, including shared analytics platforms. Joint engagement should be monitored more intensively by audit committees, and ensure that workpapers are carefully cross-reviewed and that no firm unreasonably relies on the procedures of another. Lastly, a continuous discussion between policymakers, practitioners, and scholars will be necessary to perfect the standards of joint-audit, incorporate the rising digital technologies, and adjust oversight mechanisms to the changing market conditions. With joint auditing integrated into an encouraging regulatory and professional environment, jurisdictions can significantly enhance the credibility of financial reporting and increase the stability of their capital markets.

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