

Abstract

The increased in pressure on the Supreme Audit Institutions (SAIs) to conduct audit quality has been noted around the world and this has been an issue of concern for many researchers. In this context, quality assurance systems are not completely implemented in the Federal Board of Supreme Audit (FBSA) of Iraq, which has led to the decline in public trust in the quality of services provided. Therefore, this study aimed to examine the significant determinants that can impact audit quality assurance in the FBSA of Iraq. The study framework was based on the reviewed related studies in literature regarding contingency theory and governance theory. The study employed a stratified random sampling, after which a total of 313 questionnaires were distributed to the respondents, but only 230 questionnaires were deemed usable, indicating a 73.5 percent response rate. The Partial Least Squares Structural Equation Modeling (PLS-SEM) was used to test the research model, with Smart PLS 3 specifically employed to validate the research model and test the research hypotheses. The findings of the study showed that organization culture and auditing environment had a significant effect on the audit quality assurance, which in turn, had a significant impact on the auditors' performance of the FBSA. Furthermore, the main challenges in audit quality assurance implementation include lack of auditor independence, competency of auditor and internal control. This study could be of great value to the policy makers, peer reviewers, quality inspectors, audit practitioners, audit clients, and academic researchers as it adds new resources to obtain necessary information about the public sector audit in Iraq