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### THE INFLUENCE OF CLOUD ACCOUNTING APPLICATIONS ON THE ACCOUNTING AND AUDITING PROFESSION IN IRAQ

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**Keywords: Cloud computing, information security, auditor, accounting, auditing profession.**

#### **ABSTRACT**

The present study aims to identify the important role of cloud accounting applications in Iraqi small, medium and large companies in the future and their influence on the accounting and auditing profession. The research problem was represented by the following questions: Do cloud accounting applications in small, medium, and large companies affect the accounting profession in Iraq ?? Do cloud accounting applications in small, medium, and large companies affect the profession of auditing in Iraq ?? The researchers have found the weakness of the skills of Iraqi internal auditors in accounting Electronic systems. The Iraqi companies lack the basic components for the application of cloud accounting.

**Keywords:** Cloud computing, information security, auditor, accounting, auditing profession.

#### **INTRODUCTION**

Cloud accounting in the IT environment has changed significantly in accounting practices at the present days. It may witness additional changes in the future due to the rapid developments in information and communications technology. Cloud accounting is expected to provide many assistance tools in the future, such as providing tools for customers to store valuable information And remote secrecy to take advantage of high-quality computing resources in information security issues. Dealing with large amounts of data is a challenge for the auditing profession as well as for the accounting profession in Iraq.

Cloud Accounting provides its users with many cloud services, including storing high data through the cloud without the need to purchase high-cost computers and storage devices. In addition, these applications help reduce the cost of ready-made software and the constant update of programs annually. The present study addresses issues of challenges facing the accounting and auditing profession. Cloud accounting applications have been used in Iraqi companies. The present study also addresses the risks facing the auditing profession in particular. To overcome these challenges, the Iraqi auditors and accountants are required to constantly develop their skills in the field of information and communications technology, especially with regard to The accounting and auditing profession because of its impact on the performance of the auditor and the quality of the auditing process. The researchers also discuss issues related to cloud accounting and the benefits that companies achieve from using these modern applications, the risks that companies may be exposed to regarding the security of their information, the problem of moving to another service provider, how to transfer data from the previous service registrar, in addition to checking the challenges facing the auditor in light of these techniques, especially with regard to documenting the auditing process.

## **LITERATURE REVIEW**

### ***Cloud computing***

Cloud computing is a new computing paradigm that emerged in 2006. The main idea of cloud computing is to build a set of virtual computing resources by centralizing the abundant computing resources associated with a network and providing infrastructure, platform, and software service. This network that provides various resources called cloud computing is Internet-based. Cloud computing allows customers to share a mass of hardware, software, and data resources dynamically (Che, et al. 2011: 586).

Fees are according to actual use. Therefore, computing power can be bought and sold. The idea of cloud computing or cloud services means services that are implemented through devices and programs connected to a network of servers that carry their data in a virtual cloud that ensures continuous communication without interruption, with different devices, computers, Tablets, smart phones, etc. after setting up a special code to unlock the lock and thus the network is accessed anytime and anywhere (Al-Tohamy et al., 2018: 3) and (J. Srinivas et al; 2012: 343). Cloud computing provides server and storage in the cloud without the need for human interaction with each service provider. Cloud systems automatically control and optimize resources by leveraging measurement capacity at a level appropriate to the type of service (storage, processing, bandwidth, user accounts, and various active activities). Usage can be monitored, controlled, and reported by both the provider and the consumer. The National Institute of Standards and Technology (NIST) has defined cloud computing as a model for the rapid access of data over the Internet to information and the sharing of a set of

tools Cloud computing provided to its users with minimal management effort (Mell & Grance, 2009).

Cloud computing is the technology that relies on transferring processing and storage space from the computer to the cloud. It is a server device that is accessed via the Internet. Therefore, IT programs are transferred from products to services. The cloud computing infrastructure relies on advanced data centers that It provides a large storage space for users and provides some programs as services for users through a mobile phone (Kahlo, 2015: 3). This depends on the capabilities provided by web technologies (Rizq, 2013: 20). This relationship can be illustrated through the form below:

### Model 1: The Cloud



Source: Prepared by the researchers.

### *The aims of cloud computing*

Cloud computing aims to achieve a set of objectives that outlined as follows:

1. Helping the user in obtaining huge storage space to process data (Kahlo, 2015: 3).
2. Reducing the cost of software licensing by contracting directly with the cloud service provider. It also reduces the cost of training staff in programming and operation (Regal, 2015: 11).
3. Providing services to the beneficiary anywhere in the world by any computer or mobile device and managing his/her business at one time without the need to manage his/her business from his/her private office (Enslin, 2012: 3).
4. Processing customer data remotely in terms of creating files, deleting, and modifying them with the ability to provide most of the relevant programs, whether they are running or application, for free with free maintenance (Eid, 2013: 15).
5. Saving capital and operating expenses by transferring the IT infrastructure to the cloud. By paying for use, it is possible to reduce the costs of unexploited resources as well (Osman & Elgelany, 2018: 19).

### ***Cloud storage***

Today, the majority use Drop box, Google Drive, Apple Cloud, or other online storage services, in which personal or business data are stored. Those data can be accessed from anywhere in the world and from any computer or mobile device for free. These remote sites are called Cloud storage. Companies may need to provide this service for a set of financial fees. Cloud services provide many capabilities and tools, such as analytics, video clips, mobile applications, and others (Osman & Elgelany, 2018: 11). Sometimes, many organizations adopt a mixed cloud strategy that uses a combination of local storage with external shared storage before transferring data to the cloud (IBM Cloud, 2017). Users have to understand cloud storage options, Be aware of the important features to be considered in this process, and how these features are being met by existing service providers (Zenuni et al; 2014: 276).

### ***Cloud computing challenges***

Despite the many advantages of cloud computing, there are some obstacles that may constitute serious obstacles to its spread. The cloud may not provide all the services that the beneficiary needs. Generally, the most important challenges facing companies can be presented as follows (Kahlo, 2015: 6 ):

1. Cloud computing is completely dependent on the service provider, the level of security it provides such as encrypting information and setting policies, and procedures to access the cloud. Though, the user remains in constant concern about the extent of the confidentiality of the data and who can access it.
2. Business organizations' reliance on cloud computing places themselves in front of questions about the ability of cloud computing to meet their needs without stopping within 24 hours.
3. When the organization adopts cloud computing, it will become controlled by the service provider. That may cause a set of problems once files, data, and operations are run in its infrastructure with the possibility of the service stopping for one reason or another. This forces it to search for an alternative solution.
4. Many cloud service providers may not provide good levels of service level agreements for subscribers, which conflicts with the basic requirements for converting large enterprises into cloud computing services.

### ***Cloud Accounting***

Accountants have always benefited from modern technologies to help them complete their tasks with great accuracy and speed to maintain a good level of professional performance. These rapid technological developments have contributed to the development of services provided to its users in the business and accounting world in particular.

Cloud-based technology is one of the most modern trends in the IT world of accounting. Switching to a cloud is a new and innovative solution that can help

save big money for small and medium-sized companies, and enable them to get a lot of advantages using the newest technology (Christauskas & Miseviciene, 2012: 14).

Through computers, electronic tablets, and smart mobile phones, cloud accounting provides calculating salaries, wages, the share of social and tax guarantees, installments, and loans to employees in companies. It also provides creating sales invoices in an easy way and sending them via e-mail to the customer. It provides the ability of recording expenses, revenues, and fixed assets and investments, monitoring inventory and cash, and preparing Cash flow statement, monitoring the balances of debtors and creditors, extracting the monthly and final auditing balances, the company's final accounts, and many other services (Kcpa, 2017: 5).

The main window of a cloud accounting program can be clarified as below:

Model 2: The main window of the cloud program.



Source: Abdulrasool, Mohsen, 2020).

### ***Cloud Accounting and the Challenges Facing the Accounting Profession.***

Technological development in the field of accounting is not a new topic. It started in the early nineties of the last century with the development of accounting information systems, followed by ERP systems, cloud computing platforms, and big data. Now, the new development is the use of mobile phone technologies in accounting. Then, the need arose to analyze large amounts of data using mining techniques (Espinosa-Espinosa et al., 2020; Flores & Argaez, 2020; De Souza et al., 2020; Dong et al., 2020; Govender & Sharp, 2020; Igbokwe-Ibeto, 2020).

International organizations concerned with the accounting and auditing profession believe that cloud computing is a technology that may yet affect the accounting

and auditing profession and make it face major challenges along with big data, process automation, internet, and mobile technologies (Rondao, 2017: 553).

### ***3.1 Auditing and Cloud Computing***

Mostly, many people view the auditor with great respect because he/she is supposed to possess neutrality, independence, and impartiality, which qualifies him/her to express an opinion on the financial statements. This trust that the public gave the auditor requires him/her to constantly develop his/her skills, not only in relation to regular auditing procedures, but in also in both computer and cloud accounting systems.

The development of cloud accounting influenced the auditing process. It posed a challenge for internal and external auditors to understand how to use cloud computing and the services provided by the provider (CSP). This requires the auditor to well plan the risks of cloud computing to do his/her work according to the risk-based auditing approach in light of this technology (Mohanty et al. 2014).

Cloud computing is expected to become popular and less expensive with the introduction of many new tools and services. The auditing profession will face a major challenge, which requires auditors to audit all phases of the cloud infrastructure to ensure confidentiality and privacy of customer's data and the integrity of service delivery (Nurhajati, 2016: 6).

As for the planning process in the cloud accounting environment, the auditor is required to have an appropriate auditing program to include auditing reliable access to data and the Internet, ensuring that the network is managed effectively in terms of data storage and speed of access, determining the risks to which data may be exposed, auditing processors and memory, and operating system management (OS) to ensure responsibilities are appropriately distributed. The auditor also checks the cloud database by examining officials' access procedures for data and information. He/she makes sure that modifications and updates have been made correctly by only those authorized (Jack D. & Bailey, 2014: 9 ).

Through inquiries submitted to technicians and accountants working in the system and by responding to inquiries, the auditor will obtain conclusions about confidential or prohibited information.

#### **DATA STORAGE ASSURANCE:**

Whenever possible, the auditor ensures the reliability of cloud database storage to support the cloud user on demand. In addition, to ensure that there are electronic procedures that prevent an unauthorized user from accessing the database server, TPAS is responsible for maintaining the privacy of the user's data to prevent misusing these data and resources.

### ***Cloud Accounting and the challenges facing the auditing profession.***

The increased use of big data and the rapid advancement in the world of information and communications with the widespread use of Internet-based applications led to the emergence of new concepts in accounting and auditing (Dimitriua & Matei, 2014). These developments did not only help to increase the efficiency of companies but they also provide an additional benefit in reducing costs. There is a need to study whether companies follow these modern technologies and how they can use these services to employ them for the company's benefit (Rao et al., 2016). The increased use of cloud computing, in turn, affected the auditing process. The emergence of challenges facing external and internal auditors requires them to understand information technology and how to use cloud services to achieve the interests of their companies (Nurhajati, 2016; Hornung, 2020; Janseen, 2020; Chen et al., 2020; Chen & Zhang, 2020; Gomez-piqueras et al., 2020; Gonzalez et al., 2020; Al-Blooshi & Abdulllah, 2020; Aldahmani et al., 2020).

Many researchers indicated that auditors ask them to understand the security benefits and challenges of computerized technologies such as: big data, data analytics, cloud computing and mobile phone technologies as the profession has become facing security risks posed by modern technologies in the field of digital accounting technology (Sînziana, 2017). Analyzing data privacy problems have been studied by identifying unique privacy requirements, providing a supportable solution that removes potential threats to data privacy, and provides a privacy preservation model (PPM) for auditing of all owners. In order to provide a relatively secure cloud computing environment (Razague & Rizvi, 2017). Some studies have focused on how to create special sectors for internal auditing and cloud computing that implement cloud accounting methods and strategies with a focus on the need for serious support for the external auditor to meet these challenges (Kithatu-Kiwেকে & Phillips, 2020; Kotze et al., 2020; Pasara & Dunga, 2020; Muller, 2020; Muller & de Klerk, 2020). These studies have shown that there is a need to have internal auditing and intellectual capital to keep pace with the development of the knowledge economy and cloud accounting data (Abdulmoneim, 2018; Pasara & Dunga, 2020).

## **THE RESEARCH METHODOLOGY**

### ***The significance of the present study***

Today, developments in the accounting profession are accelerating, not only as a result of the evolution in accounting standards, but also through technological advances that have greatly affected accounting practices. Cloud accounting applications in many companies around the world are among these accelerating developments. So, it was necessary to go into the depth of this issue because of its importance to local accounting practices when applied by Iraqi companies in the future and the resulting effects on the profession of auditing and monitoring accounts, especially those that relate to the risks of this technology and related to

the level of professional performance in the auditing offices, as well as the qualitative addition of Arab literature In the field of accounting and auditing.

### ***The objectives***

Presenting the concepts of cloud accounting in general and their applications in many companies in the world, the most important advantages they have and the extent of their applicability in Iraqi companies on the one hand, and on the other hand the effects of these modern technological applications on the accounting and auditing profession in Iraq, the following objectives can be formulated:

1. Helping Iraqi companies to use the most modern accounting technologies: cloud accounting.
2. Assisting companies in reducing the costs of purchasing computer hardware and giant storage devices.
3. Helping companies in the speedy extraction of financial statements in a timely manner.
4. Assisting the auditors in completing the auditing work in a short time with accuracy through the use of electronic auditing programs.
5. Assisting auditors in Iraq to face the accelerating technological challenges through developing professional performance in line with changes in the electronic accounting environment.

### ***The research problem.***

The research problem is summarized in the following questions:

1. To what extent do cloud accounting applications in small, medium, and large companies affect the accounting profession in Iraq?
2. To what extent do cloud accounting applications in small, medium, and large companies affect the auditing profession in Iraq?

### ***The hypotheses.***

Based on the research objectives and problems, the following main and sub-hypotheses can be formulated:

**The first hypothesis:** Cloud accounting applications in small, medium, and large companies contribute to supporting and strengthening the accounting profession in Iraq.

**The second hypothesis:** Cloud accounting applications in small, medium, and large companies contribute to supporting and strengthening the auditing profession in Iraq.

### ***The method.***



100 questionnaires were distributed to a number of accounting and auditing professors in Iraqi universities in addition to a number of auditors in Iraq. The results were analyzed and discussed for 71 questionnaires that are valid for analysis.

## RESULTS AND DISCUSSION.

The present study relied, in part of the practical side, on a questionnaire designed for the purpose of testing the influence of the application of cloud accounting on the accounting and auditing professions in Iraq. This questionnaire was distributed to a sample of university professors, accounting auditors, and auditors working in Iraqi auditing firms and offices. The questionnaire included 26 questions divided into two groups. Each group consists of thirteen questions.

It was used to express the five-dimensional sentences of the Likert pentaton scale, in which the measurements range from one point with a content that is not completely agreed upon to and five points with a content that is completely agreed upon.

The stability of the scale was also confirmed by measuring the Alpha Cronbach coefficients, as well as by the split-half reliability method. With the help of the SPSS program, the results were as follows:

**Table: 1** Kronbach alpha and split-half reliability coefficients to test the stability of the scale.

<b>Groups</b>	<b>Kronbach alpha</b>	<b>split-half reliability/ Goodman or Spearman Brown</b>
The influence of cloud accounting on the accounting profession.	9.70	3.70
The influence of cloud accounting on the auditing profession.	8.74	2.72

The above table shows the high coefficients of stability for the two groups of the questionnaire. The stability coefficient for both groups is more than 70%.

The internal consistency between each dimension of the questionnaire and the questions that compose it was measured using the Pearson correlation coefficient. The results were according to the SPSS program as follows:

Table: 2 internal consistency of the scale items of the group, the effect of cloud accounting on the accounting profession.

Correlations															
q13	q12	q11	q10	q9	q8	q7	q6	q5	q4	q3	q2	q1		axis	
.331**	.323**	.248*	.246*	.306**	.234*	0.11	.549**	.562**	.644**	.614**	.618**	.545**	Pearson Correlation		
													Sig. (2-tailed)		
0.00	0.01	0.04	0.04	0.01	0.05	0.04	0.00	0.00	0.00	0.00	0.00	0.00			
** Correlation is significant at the 0.01 level (2-tailed).															
* Correlation is significant at the 0.05 level (2-tailed).															

It is noted from the table above that all correlation coefficients between the group and the questions that form it were high and statistically significant values as all the values of Sig. (2-tailed) was smaller than 0.05.

Table: 3 the internal consistency of the items of the scale of the group of the influence of cloud accounting applications on the auditing profession.

Correlations															
q13	q12	q11	q10	q9	q8	q7	q6	q5	q4	q3	q2	q1		axis	
.332**	.430**	.393**	.430**	.446**	.428**	.468**	.551**	.487**	.664**	.566**	.713**	.673**	Pearson Correlation		
.005	.000	.001	.000	.000	.000	.000	.000	.000	.000	.000	.000	.000	Sig. (2-tailed)		
** Correlation is significant at the 0.01 level (2-tailed).															
* Correlation is significant at the 0.05 level (2-tailed).															

It is noted from the above table that all correlation coefficients were high and statistically significant values as all the values of Sig. (2-tailed) were smaller than 0.05.

After verifying the validity of the scale, 100 questionnaires were distributed. 71 forms were retrieved, of which, valid for analysis were approved in the practical side of the study. The results of the descriptive statistical analysis of the responses of the members of the questionnaire were as follows:

The first group: The influence of cloud computing on the accounting profession.

Table: 4 Responses of respondents to the first group items.

Question	Totally agree		Totally agree		Totally agree		Totally agree		Totally agree		Arithmetic means	Standard deviation	Relative importance	Variance coefficient
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage				

1	4	0.06	22	0.31	25	0.35	19	0.27	1	0.01	3.13	0.92	0.63	0.30
2	2	0.03	37	0.52	20	0.28	11	0.15	1	0.01	3.39	0.84	0.68	0.25
3	18	0.25	33	0.46	12	0.17	7	0.10	1	0.01	3.85	0.97	0.77	0.25
4	3	0.04	26	0.37	14	0.20	27	0.38	1	0.01	3.04	0.99	0.61	0.33
5	3	0.04	20	0.28	18	0.25	27	0.38	3	0.04	2.90	1.00	0.58	0.35
6	17	0.24	38	0.54	9	0.13	7	0.10	0	0.00	3.92	0.87	0.78	0.22
7	4	0.06	31	0.44	8	0.11	24	0.34	4	0.06	3.10	1.11	0.62	0.36
8	10	0.14	47	0.66	6	0.08	7	0.10	1	0.01	3.82	0.85	0.76	0.22
9	16	0.23	49	0.69	4	0.06	2	0.03	0	0.00	4.11	0.62	0.82	0.15
10	26	0.37	43	0.61	2	0.03	0	0.00	0	0.00	4.34	0.53	0.87	0.12
11	41	0.58	29	0.41	1	0.01	0	0.00	0	0.00	4.56	0.53	0.91	0.12
12	21	0.30	36	0.51	10	0.14	4	0.06	0	0.00	4.04	0.82	0.81	0.20
13	8	0.11	45	0.63	11	0.15	6	0.08	1	0.01	3.75	0.82	0.75	0.22
											3.69	0.35	0.74	0.10

It is noted from the above table that the weighted mean of the group as a whole is 3.69 which is greater than the hypothetical mean of the scale which is 3 with a very low standard deviation of 0.35. The variance coefficient was 0.10. The relative importance of this group was 74%. This indicates that the application of cloud computing contributes to supporting and strengthening the accounting profession in Iraq.

On the detailed level of this group, it is clear that all the items of this group were greater than the hypothetical mean of the scale except for the fifth question and the eleventh question, which indicates that the transformation of Iraqi companies into cloud accounting applications requires the development of the skills of internal auditors of the electronic accounting systems. It has achieved the highest arithmetic mean in this dimension which was 4.56 with a relative importance of 91%, a standard deviation of 0.53, and a variance coefficient of 0.12. This indicates the need to develop the skills that internal auditors are supposed to possess in electronic accounting systems from the respondents' point of view. Whereas, the fifth question which indicates that Iraqi companies of all kinds, to some extent, possess the material and human capabilities to switch to cloud accounting applications. It has achieved the lowest arithmetic mean in this group which was 2.95 which is less than the hypothetical mean of the scale with a relative importance of 58% With a standard deviation of 1.00 with a variance coefficient of 0.35. This indicates that the Iraqi companies lack the necessary components to implement cloud accounting.

The second group: The influence of the application of cloud accounting on the auditing profession.

Table: 5 Responses of individuals in the questionnaire sample to the second group items.

Question	Totally agree		Totally agree		Totally agree		Totally agree		Totally agree		Arithmetic means	Standard deviation	Relative importance	Variance coefficient
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage				
14	3	0.04	14	0.20	17	0.24	34	0.48	3	0.04	2.72	0.97	0.54	0.36
15	0	0.00	12	0.14	21	0.25	38	0.46	0	0.00	2.63	0.76	0.53	0.29
16	1	0.01	16	0.19	24	0.29	27	0.33	3	0.04	2.79	0.89	0.56	0.32
17	1	0.01	20	0.24	36	0.43	13	0.16	1	0.01	3.10	0.76	0.62	0.24
18	6	0.07	44	0.53	15	0.18	6	0.07	0	0.00	3.70	0.74	0.74	0.20
19	14	0.17	50	0.60	3	0.04	4	0.05	0	0.00	4.04	0.69	0.81	0.17
20	19	0.23	50	0.60	2	0.02	0	0.00	0	0.00	4.24	0.49	0.85	0.12
21	7	0.08	33	0.40	17	0.20	12	0.14	2	0.02	3.44	0.98	0.69	0.29
22	15	0.18	46	0.55	7	0.08	3	0.04	0	0.00	4.03	0.70	0.81	0.17
23	21	0.25	40	0.48	6	0.07	4	0.05	0	0.00	4.10	0.78	0.82	0.19
24	10	0.12	38	0.46	14	0.17	7	0.08	2	0.02	3.66	0.94	0.73	0.26
25	18	0.22	47	0.57	3	0.04	3	0.04	0	0.00	4.13	0.67	0.83	0.16
26	1	0.01	21	0.25	21	0.25	26	0.31	2	0.02	2.90	0.91	0.58	0.31
											3.50	0.40	0.70	0.11

It is noticed from the above table that the weighted mean of the group as a whole is 3.5 which is greater than the hypothetical mean of the scale which is 3 with a very low standard deviation of 0.4, variance coefficient of 0.11, and a relative importance of 70%. This indicates that the application of cloud computing contributes to supporting and enhancing the auditing profession in Iraq.

On the detailed level of this group, it is clear that:

The questions 13,17,18,19,20,21,22,23,24,25 had their estimated arithmetic mean greater than the hypothetical mean of the scale. Question 20 which indicates that the auditors should realize the importance of risk-based planning When auditing cloud accounting applications has achieved the highest arithmetic mean in this dimension, which was 4.24, a relative importance of 85%, a standard deviation of 0.49, and a variance coefficient of 0.12. This indicates the need for auditors to pay attention to the risks of auditing electronic systems from the respondents' point of view.

Whereas, questions 14,15,16,26 achieved less arithmetic mean than the hypothetical mean of the scale and the lowest was the fifteenth question whose content was the assistant auditors in the auditing offices in Iraq have experience and competence in auditing cloud accounting applications. Its arithmetic mean was 2.63, which is less than the hypothetical mean for the scale, with a relative importance of 53%, and a standard deviation of 0.76 with a variance coefficient of 0.29, which indicates that the assistant auditors working in the Iraqi auditing offices lack the skill needed to audit cloud accounting applications.

### ***Hypotheses test results***

For the purpose of testing the hypotheses of the present study, one-sample T-test is used. The idea of this test is to discover the extent of a significant difference in the average of the population from which the sample was drawn from a constant value, in addition to the ability to estimate the confidence duration of the community average, and the default arithmetic mean is adopted for the Likert quintuple scale. The value of 3 is a test value to conduct a T-test analysis using the statistical package program for social sciences SPSS. The results were as follows:

The first hypothesis: Cloud accounting applications in small, medium, and large companies contribute to supporting and strengthening the accounting profession in Iraq.

<b>One-Sample Statistics</b>					
N	Mean	Std. Deviation		Std. Error Mean	
71	3.6880	.35439		.04206	
Test Value = 3					
t	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
16.358	70	.000	.68797	.6041	.7719

The table above shows that the estimated value of T was 16,358, which is much greater than its tabular value at freedom degree of 70 (n-1) of 1.667, and standard deviation was 0.04206, which is a very low value. The lower this type of errors, the better the statistics are. The table also shows that the level of significance of the test was Sig. (2-tailed) which is very high as it was 0.00 which is less than the acceptable error level in social sciences that is predetermined by 0.05. So, the research hypothesis is accepted.

***The second hypothesis:***

Cloud accounting applications in small, medium, and large companies contribute to supporting and strengthening the auditing profession in Iraq.

<b>One-Sample Statistics</b>					
N	Mean	Std. Deviation	Std. Error Mean		
71	3.4984	.40031	.04751		
Test Value = 3					
T	df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
				Lower	Upper
10.490	70	.000	.49837	.4036	.5931

The above table shows that the estimated T value was 10.490 which is much greater than its tabular value at 70 (n-1) degrees of 1.667, and standard deviation of 0.04751, which is a very low value. The lower this type of errors, the better the statistics are. The table also shows that the level of significance of the test Sig. (2-tailed) was very high as it was 0.00 which is less than the acceptable error level in social sciences that is predetermined by 0.05. So, the research hypothesis is accepted.

**CONCLUSIONS**

1. The application of cloud accounting in Iraqi companies contributes to supporting and enhancing the auditing profession in Iraq.
2. There is a weakness of the skills of the Iraqi internal auditors in the electronic accounting systems.
3. Iraqi companies lack the basic components to implement cloud accounting.
4. The application of cloud accounting contributes to supporting and enhancing the auditing profession in Iraq.
5. Iraqi auditors should be aware of the importance of risk-based planning when auditing cloud accounting applications.

6. The assistant auditors working in the Iraqi auditing offices lack the skill necessary to audit cloud accounting applications.

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