



Assessing Audit Quality's Impact on The Connections Between Profit Management and Free Cash Flow

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ABSTRACT

The most objective of this inquire about is to consider the impact of quality of examining on the relationship between the free cash stream and the benefit administration within the companies conceded into Tehran Stocks Trade. In arrange to reply this address, a test measure of 88 companies conceded into Tehran Stocks Trade amid the long time 2011-2021 was considered. Two measures of the number of auditors and the extent of the auditors' industry specialization were used in this investigation and in terms of the inspecting quality variable. In arrange to test the results about theories; the relapse models at a noteworthy level of 95% were utilized. The findings demonstrated that for the most part there's a noteworthy connection between the benefit administration and free cash stream. In taking after the investigate, the effect of two metrics of auditors' quantity and industry-specific specialty and at long last the impact of examining quality on the connections between the free cash stream and profit administration within the companies conceded into Tehran Stocks Trade were examined as well. Agreeing to the comes about, it was uncovered that there's noteworthy and coordinate connections between the free cash stream and benefit administration and an roundabout (switch) critical connections between the quality of inspecting and the connections between the free cash stream and benefit administration. It implies that the quality of reviewing can weaken the connections between the free cash stream and benefit administration.



1. Introduction

An independent and skilled auditing firm is able to recognize the incorrect presentation of the financial statement items under consideration and can influence its employer regarding its correct presentation so that the financial information is reported reliably (Dixit and Sharif, 2020). Accomplishing this craved objective is totally subordinate on the characteristics of examining teach, and these characteristics of reviewing educate can be emphatically or adversely related to review quality. Dixit and Sharif (2019) higher quality evaluator moves forward the precision of the data given and it permits financial specialists to induce a more exact gauge of the company's esteem. The common reason of inspectors is to ensure the interface of shareholders against fabric misstatements and blunders in financial articulations. Evaluators look for to extend review quality in arrange to preserve the validity of their calling, their proficient notoriety and dodge claims against them (Vichitsarawong and Pornupatham, 2015). In the meantime, managers' inspirations to apply their individual interface in benefit quality avoid inspectors from coming to their objectives (Soliman and Ragab, 2014). One of the most objectives of building up bookkeeping benchmarks is that clients can make moderately important and adjust choices by depending on money related articulations, so the bookkeeping calling needs that detailing strategy that the interface of all clients are legitimately regarded (Salehi et al, 2017).

However, as is clear from the definition of profit management, managers report profit in order to accomplish specific objectives that logically serve the interests of particular people, which is in direct opposition to the goal of serving the interests of users as a whole. Auditors have the duty to verify the usefulness of financial statements within the framework of accounting standards, while accounting standards in some cases leave managers' hands free to choose the accounting method (Rusmin, et al, 2014). In fact, the problem arises from the fact that profit management sometimes makes the financial statements misleading, while the financial statements have no problem in terms of being within the framework of accounting standards, and the auditors cannot review the financial statements in this regard get a problem (Nekhili, et al, 2015). Therefore, according to the fact that profit



is one of the most important factors in decision-making, users' awareness of the reliability of profit can help them in making a decision. unbiased cash flow is a measure to measure the company's performance and shows the cash that the company has after making the necessary expenses for maintaining or developing assets. Free cash flow is crucial because it enables the business to pursue possibilities that raise shareholder value (Mohammedjani and Sadeghi, 2015). Without having cash, it isn't conceivable to create unused items, conduct commerce, pay cash profits to shareholders and diminish obligations. Supervisors do, however, occasionally find themselves in situations where their choices are not in the best interests of the company's stockholders and result in inaccurate financial reporting. In reality, benefit administration happens when directors exercise their judgment in budgetary detailing and within the way of recording and reporting enters budgetary data in such a way that the alter within the substance of the monetary reports will delude a few of the shareholders with respect to the financial execution of the company (Ahmadi, et al, 2017). On the other side, by raising the audit quality, auditors can find the managers' use of profit management and cause the managers trouble with that application (Rusmin, et al, 2014). Concurring to the over, our primary objective in this inquire about is to examine the impact of review quality on communication. It is between unbiased cash flow cash stream and benefit administration in companies recorded on the Tehran stock trade. In other words, in this investigate, an endeavor has been made to reply the address whether the tall quality of inspecting in companies listed on the Tehran stock exchange can weaken the connections between unbiased cash flow cash flow and profit management.

2. Research Background:

Kasyaani et al (2018) explore the impact of review quality and obligation financing on profit administration. In this inquire about, the quality of review and obligation financing is considered as a free variable and benefit administration as an related variable. Testing the investigate speculations utilizing totaled slightest squares relapse appeared that none of the review quality criteria examined in this investigate and obligation financing had any impact on the administration of benefit (Hamad, et



al, 2021). Abdollahi and Rezaei Pitenoei (2020) scrutinize whether excess free cash stream is connected with profit administration, in the event that inspector measure moderates this relationship. The comes about uncover that profit administration is altogether related with overflow free cash stream. Moreover, the discoveries affirm that reviewer estimate applies no critical effect regarding the connection between overflow free cash stream and corporate profit administration AL-Shatnawi, et al, 2021).

Clatworthy et al (2012) look at the relative significance of money stream and collections components of profit in clarifying the variety in UK company equity returns, at the side the degree to which these connections vary by inspector quality. We too discover that variety in both profit components features a more critical impact on returns for clients of huge inspectors. At long last, our comes about give blended prove on the address of whether the effect of reviewer quality is most elevated for the gatherings component of profit (Sharif, 2017).

Desnirita and Soeparyono (2020) analyze and get experimental prove around the impact of budgetary challenges, the stream of free cash, benefit, and utilizing profit administration with review quality as a directing variable within the generation company within the deals segment in Indonesia. The findings of this study show that (1) the weight of money has a notable impact on managing income, (2) the flow of cash has a significant impact on managing income, (3) money does not affect budgetary management, (4) money does not affect monetary management, (5) money has a notable impact on the budgetary weight with the advantage of a significant financial advantage, (6) Utility with evaluation quality as a guiding variable has a very large impact on profit management. (7) Utility with evaluation quality as a guiding variable does not affect profit management (Sharif and Azeez, 2021).

Soleimani Amiri et al (2021) explore the impact of conservatism regarding the connection between working cash stream and cash esteem in companies conceded to the Tehran Stock Trade. The comes about appear that within the to begin with theory, cash stream and cash esteem of the company are related and have a positive and critical relationship, so the zero speculations is based on the need of relationship between working cash and cash esteem. Agreeing to the common comes about of the

article, it can be seen that conservatism influences the relationship between operational cash and cash esteem and fortifies this relationship (Sharif and Azeez, 2021).

3. Research method

This investigate is portion of connected investigate in terms of its reason. And the investigate strategy is correlational in terms of nature and substance. The inquire about has been carried out within the system of deductive-inductive contentions. In this way, the hypothetical establishments and foundation of the inquire about have been done through library considers, articles and destinations in a comparative arrange and gathering data to affirm and dismiss the speculations in an inductive way.

3.1 Research population and sample

The surveyed statistical universe is all companies registered on the Tehran Stock Exchange. In arrange to reply this address, a test measure of 88 companies conceded into Tehran Stocks Trade amid the long time 2011-2021 was considered. From the statistical population, those companies that were not continuously active in the stock market from 2011 to 2021 or did not have the required information about the variables determined in the research have been removed due to the large size of the statistical population and the existence of heterogeneities among community members, the following conditions are set for the selection of the statistical sample. In this research, the intended methods for data analysis and hypothesis testing are considered as follows:

- 1- Excel and SPSS software have been used for parameterized estimation $\alpha_3, \alpha_2, \alpha_1$ in order to determine optional accrual items according to our model which are refer to free cash stream and benefit administration and the quality of inspecting .
- 2- The test four research hypotheses, the multivariable linear regression method was used and for the significance of the correlation between the research variables, the P-Value (sig.) The regression model was applied as follows, and this test was applied based on cumulative data to test the study's hypotheses.

3.2 Research framework

Review quality has been characterized in different ways. Within the proficient writing, review quality is characterized in connection to the degree of compliance with significant inspecting measures. On the other hand, bookkeeping analysts consider numerous measurements for review quality, and these measurements regularly lead to definitions that have distinctive appearances. The foremost common definitions of review quality incorporate the taking after components (Namazi, et al, 2014).

The mentioned definitions include different degrees of competence and independence dimensions of auditors in conducting audits (actual independence) and also how users perceive their independence (Khajavi and Gorgani, 2014).

Although perceived audit quality can be related to actual audit quality, it is not necessarily the same (Ebraheem, 2017). Therefore, good reputation and professional care are used to maintain the actual characteristics of audit quality and perceived quality. In addition, it should be considered that the auditor's professional care affects the quality of financial statement information, while the auditor's reputation affects how the stakeholders perceive the said information (Ebrahimi, et al, 2016).

Concurring to Jensen, the free cash streams of a commerce substance are money reserves that are in excess of money reserves required for all ventures with a positive net show esteem (based on the rebate rate of the solid taken a toll of capital) (Eshleman and Guo, 2014).

Due to the inherent flexibility that exists in some accounting standards and the interpretation and application of these procedures, in many cases it is subject to the judgment and application of managers' opinions (Abdollahi and Rezaei, 2020). They are given the chance to manage the reported profit utilizing several strategies, such as accrual accounting items. Therefore, the accounting profit may not reflect the actual accounting performance of the company. Since this interventionist behavior (profit management) may have an effect on the quality of disclosed information and its usefulness for investment decisions, it is likely to reduce investors' trust in the financial reporting process, and besides this, it is possible cause the incorrect

allocation of scarce economic resources towards investments with little efficiency. Due to the fact that investors pay special attention to the profit figure as one of the important factors, these researches have their own importance from the behavioral aspect. In this way, investors invest more confidently in the shares of companies whose profit trends are more stable (Kangarluei, et al, 2012).

3.3 Research hypothesis

First hypothesis: there's a critical connection between accruals variable and free cash flow.

Second hypothesis: In companies with free cash stream and small development opportunity, there's a noteworthy relationship between gatherings and review quality.

4. Results

Within the expressive measurements area, information examination has been done utilizing central lists such as cruel and middle and scattering lists of standard deviation, skewness and kurtosis. The cruel esteem appears the normal of the information. The middle shows that 50% of the information are less than the center number of the set and 50% of the information are more than the center number of the set. The closeness of the cruel and middle esteem appears the symmetry of the information. Standard deviation appears scattering and at long last, skewness is a list of information symmetry. The esteem of skewness and kurtosis of all inquire about factors (particularly the dependent variable DA) encompasses a little remove from zero (the esteem of skewness and kurtosis is zero for typical dispersion), that's, the dissemination of autonomous factors and subordinate variable is exceptionally comparative to ordinary distribution.

Table 1: Statistics

Statistics

	Mean	Median	Std. Deviation	Skewness	Kurtosis
DA	.11611	.09000	.096987	1.308	1.259
FCF	.18	.00	.383	1.690	.863
auditor	.24	.00	.426	1.240	-.467
ISPEC	.7433	.9540	.31978	-.878	-.861
auditor*ISPEC	.1385	.0000	.31764	2.148	2.772
auditor*FCF	.08	.00	.274	3.080	7.532
FCF*ISPEC	.1345	.0000	.31918	2.114	2.635
SIZE	5.8802	5.8077	.64087	.736	.442
INTEXP	4.2182	4.2308	.94604	-.302	1.403

Table 2: Frequency

	FCF		auditor	
	Count	%	Count	%
0	263	82.2%	244	76.3%
1	57	17.8%	76	23.8%

In total, 82% of FCF is zero, 76% of auditor is zero, 18% of FCF is one, and 24% of auditor is one.

4-1 Normality test

One of the preeminent crucial backside hypotheses is the commonality of the demonstrate residuals. To evaluate the extreme illustrate of ask almost, information almost free and subordinate factors has been utilized, and after that the extreme backside of the appear has been surveyed. It is crucial to assess appear, and after that survey the values of the subordinate variable for particular values of the independent variable. The differentiate of the assessed values from the honest to goodness values is the residuals of the illustrate. However, there have been a few recent evaluations that show that by examining the dispersion of the subordinate variable, one can get past any uncertainty regarding the scattering of the residuals. Utilizing the Kolmogorov-Smirnov test, the speculation of typicality of the subordinate variable has been tried. The Kolmogorov-Smirnov test, which is named

after two Russian analysts named Kolmogorov-Smirnov test, may be a straightforward non-parametric strategy for deciding the homogeneity of test information with sele

$$\begin{cases} H_0 : & \text{The data for the dependent variable are} \\ & \text{normally distributed} \\ H_1 : & \text{The data for the dependent variable are not} \\ & \text{normally distributed} \end{cases}$$

Table 3: Kolmogorov-Smirnov test
One-Sample Kolmogorov-Smirnov Test

YEAR	DA							
	N	Normal Parameters ^{a,b}		Most Extreme Differences			Kolmogorov-Smirnov Z	Asymp. Sig. (2-tailed)
		Mean	Std. Deviation	Absolute	Positive	Negative		
1384	64	.12863	.101069	.190	.190	-.114	1.518	.020
1385	64	.15346	.119061	.149	.149	-.102	1.194	.115
1386	64	.09623	.084725	.133	.129	-.133	1.065	.207
1387	64	.10679	.086004	.126	.126	-.110	1.010	.260
1388	64	.09545	.078512	.148	.148	-.113	1.181	.123

a. Test distribution is Normal.

b. Calculated from data.

The values of the significance level (sig) of the dependent variable DA for equal years are greater than 0.05 (for the year 84, it is less than 0.05). The null hypothesis is rejected when the value of the significant level is less than 5%, so DA in different years has a normal distribution.

4-2 Examining correlation coefficients between variables

In the correlation matrix below, Pearson's correlation between independent and dependent variables has been calculated.

$$\begin{cases} \rho_{XY} = 0 \\ \rho_{XY} \neq 0 \end{cases}$$

The Pearson correlation matrix is calculated in the table below and the most important results are as follows:

Table 4: Correlation

	DA		
	Pearson Correlation	Sig. (2-tailed)	N
FCF	.298**	.000	320
auditor	.018	.751	320
ISPEC	.022	.693	320
auditor*ISPEC	-.018	.751	320
auditor*FCF	.039	.485	320
FCF*ISPEC	.099	.076	320
SIZE	-.039	.487	320
INTEXP	-.016	.774	320

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

The correlation between DA and FCF is significant and positive (0.298) and with FCF*ISPEC it is significant (at 90% confidence level) and positive (0.099). Other variables do not have a significant relationship with DA. In the following, the multiple regression analysis is discussed. The correlation results may not be consistent with the multiple regression results due to the two-by-two correlation analysis (without controlling other variables).

4-3 Examining the model using regression analysis

In this section, the analysis of the multiple regression model of the model has been discussed. The assumed model for estimation is as follows:

$$DA_{i,t} = \beta_0 + \beta_1 FCF_{i,t} + \beta_2 Auditor_{i,t} + \beta_3 ISPEC_{i,t} + \beta_4 (ISPEC_{i,t} \times Auditor_{i,t})$$

$$+ \beta_5 (FCF_{i,t} \times Auditor_{i,t}) + \beta_6 (FCF_{i,t} \times ISPEC_{i,t}) + \beta_7 SIZE + \beta_8 INTEXP_{i,t} + \beta_9 DUM_{i,t} + \varepsilon_i$$

which, in the aforementioned model, represent the random error of the model's input parameters that, respectively, display the slopes and width from the origin.

In this model, the following are the null hypothesis and the alternative hypothesis:

$$\begin{cases} H_0 : \beta_1 = \beta_2 = \dots = \beta_9 = 0 \\ H_1 : \beta_i \neq 0 \quad i = 1, 2, \dots, 9 \end{cases}$$

$$\begin{cases} H_0 : \text{There is no significant model.} \\ H_1 : \text{There is a significant model.} \end{cases}$$

The outcomes of the regression analysis are displayed in the following table:

Table 5: Variance analysis

ANOVA^b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.443	8	.055	6.720	.000 ^a
	Residual	2.554	310	.008		
	Total	2.997	318			

a. Predictors: (Constant), INTEXP, ISPEC, FCF, auditor*ISPEC, auditor*FCF, SIZE, FCF*ISPEC, auditor

b. Dependent Variable: DA

The probability value (or significance level) F is equal to 0.000. There is a significant demonstrate at the 95% certainty level because this value is less than 0.05, which means that the false theory is rejected at that level.

Table 6: Model summary

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.384 ^a	.148	.126	.090762	1.820

a. Predictors: (Constant), INTEXP, ISPEC, FCF, auditor*ISPEC, auditor*FCF, SIZE, FCF*ISPEC, auditor

b. Dependent Variable: DA

Only about 15% of changes in the dependent variable are expressed by the independent variables, according to the low coefficient of assurance of 0.148. This value is a significant value in practice. This list appears the escalated of the connection between the variables (the model is significant). The value of the Watson Durbin statistic is not much different from the value of 2 and is equal to 1.82. Values close to 2 indicate the lack of autocorrelation of the residuals, which is another hypothesis of regression.

To estimate the coefficients, the following hypothesis can be done using partial t-statistics.

The zero hypotheses for the width from the origin or constant value are as follows:

$$\begin{cases} H_0 : \beta_0 = 0 \\ H_1 : \beta_0 \neq 0 \end{cases}$$

And this is how the correlation of independent variables is expressed:

$$\begin{cases} H_0 : \beta_1 = 0 \\ H_1 : \beta_1 \neq 0 \end{cases}$$

$$\begin{cases} H_0 : \beta_9 = 0 \\ H_1 : \beta_9 \neq 0 \end{cases}$$

The test statistic's value is calculated as follows:

$$t_{\beta_i} = \frac{\hat{\beta}_i - 0}{S_{\beta_i}} \quad i = 0,1,2,\dots,9$$

The method of judging is that if the value of t is in the rejection region, the null hypothesis is rejected. However, for ease of work, the value of the significance level is used to reject or not dismiss the invalid theory.

Table 7: Estimation of coefficients

Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics
	B	Std. Error	Beta			VIF
1 (Constant)	.132	.055		2.398	.017	
FCF	.147	.022	.581	6.771	.000	2.677
auditor	.030	.026	.130	1.143	.254	4.690
ISPEC	.031	.021	.104	1.505	.133	1.724
auditor*ISPE	-.016	.034	-.052	-.471	.638	4.395
auditor*FCF	-.063	.027	-.177	-2.363	.019	2.043
FCF*ISPEC	-.080	.026	-.264	-3.124	.002	2.606
SIZE	-.009	.012	-.058	-.754	.451	2.164
INTEXP	-.001	.008	-.006	-.086	.931	2.016

a. Dependent Variable: DA

As can be seen in the above table, the value of t statistic for FCF equals 6.77 and for auditor equals 1.14, for ISPEC equals 1.505, for auditor*ISPEC equals 0.471, for auditor*FCF equals 36. and the values of the t measurements for FCF (positive), inspector *FCF (negative), and FCF*ISPEC (negative) are in the zone of rejecting the null hypothesis. Additionally, the value of the t statistic for the width from the origin at the 95% confidence level is in the zone of rejecting the null hypothesis, indicating the significance of the constant value for estimating the final model. From a statistical point of view, it is a suitable model that, while being simple, has good accuracy compared to the complete model.

4-4 Interpretation of the model:

Considering the two-state nature of FCF and auditor variables, the results are interpreted as follows:

The esteem of DA for companies whose FCF is one (companies with tall cash stream and moo development opportunity) is altogether littler than companies whose FCF is zero (companies with moo cash stream and tall development) since positive FCF is significant. For companies whose FCF is one (companies with tall cash stream and

moo development openings), the relationship between evaluator and DA is negative and critical, whereas for companies with FCF zero (companies with moo cash stream and tall development), the relationship between evaluator and DA is critical (since $FCF \cdot auditor$ is significant). For companies whose FCF is one (companies with tall cash stream and moo development openings), the relationship between ISPEC and DA is negative and critical, whereas for companies with FCF zero (companies with moo cash stream and tall development), the relationship between ISPEC and DA is critical (since $FCF \cdot ISPEC$ is significant).

4-5 Multiple regression resulting from the step-by-step method

Within the step-by-step demonstrate, the demonstrate is first begun with the foremost noteworthy autonomous variable, and after that the moment noteworthy variable is entered into the demonstrate. This prepare proceeds until all critical factors are entered into the model. The model was made in four stages and the coefficient of assurance is 0.139 within the conclusion, which implies that in this model as it were 1% of the coefficient of assurance has been decreased compared to the total demonstrate. However, from 9 to 3 autonomous factors have been added to the demonstrate. The esteem of the Watson Durbin measurement is break even with to 1.96.

Table 8: Summary of multiple regression model

Model Summary^d

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.297 ^a	.088	.086	.092828	
2	.350 ^b	.122	.117	.091223	
3	.372 ^c	.139	.130	.090527	1.963

a. Predictors: (Constant), FCF

b. Predictors: (Constant), FCF, $FCF \cdot ISPEC$

c. Predictors: (Constant), FCF, $FCF \cdot ISPEC$, $auditor \cdot FCF$

d. Dependent Variable: DA

**Table 9: Correlation
Coefficients^a**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics
		B	Std. Error	Beta			VIF
1	(Constant)	.103	.006		17.938	.000	1.000
	FCF	.075	.014	.297	5.545	.000	
2	(Constant)	.105	.006		18.515	.000	2.248
	FCF	.127	.020	.503	6.372	.000	
	FCF*ISPEC	-.084	.024	-.277	-3.501	.001	
3	(Constant)	.105	.006		18.726	.000	2.518
	FCF	.144	.021	.569	6.860	.000	
	FCF*ISPEC	-.077	.024	-.252	-3.193	.002	
	auditor*FCF	-.054	.022	-.153	-2.424	.016	

a. Dependent Variable: DA

The esteem of the t measurement for FCF is rise to 6.86, for FCF*ISPEC, it is equal to -19.3, and for auditor*FCF is equal to -2.42, which are all significant because the value of the t statistic for these variables is in the region of rejecting the null hypothesis. The value of the t statistic for the width from the origin at the 95% confidence level is in the region of not rejecting the null hypothesis, which indicates that the constant value is not significant.

The course of relationship between FCF (positive) and evaluator factors is auditor*FCF (negative) and FCF*ISPEC (negative). The estimation of the ultimate show is as takes after:

$$DA_{i,t} = 0/105 + 0/144 FCF_{i,t} - 0/077 (ISPEC_{i,t} \times FCF_{i,t}) - 0/54 (FCF_{i,t} \times Auditor_{i,t})$$

In the interpretation of the coefficients, it can be said that under the condition of controlling the other variables of the model, for one unit increase in FCF, the value of DA increases by 0.144 units. Other explanatory coefficients are similar.

4-6 Model discussion:

Considering the significance of three variables in the previous model, the interpretation of this model is the same as the previous model.

Testing hypotheses:

According to the documents and literature, as well as the summary of the theoretical framework of the research in the second chapter, most of the conducted researches have calculated, analysed and interpreted the studied variables on an annual basis. At this stage, the researcher has considered the study variables and analysis and conclusion of the hypotheses on an annual basis. The summary of the findings separately for each hypothesis is stated as follows.

5. Discussion and conclusion

First hypothesis: there's a critical connection between accruals variable and free cash flow.

H0: accrual items (earnings management) (DA and free cash flow (FCF) do not have a significant connection

H1: accrual items (earnings management) (DA and free cash stream (FCF) have a significant connection (researcher's hypothesis)

The value of DA for companies whose FCF is one (companies with high cash flow and low growth opportunity) is significantly smaller than companies whose FCF is zero (companies with low cash flow and high growth) because positive FCF is significant. Based on the connection test, the invalid speculation is rejected, which demonstrates that there's a critical association between collections and free cash stream.

Second hypothesis: In companies with free cash stream and small development opportunity, there's a noteworthy relationship between gatherings and review quality.

H0: In companies with free cash flow and little growth opportunity, accruals (earnings management) (DA and audit quality) do not have a critical relationship.

H1: In companies with free cash flow and little growth opportunity, accruals (earnings management) (DA and audit quality have a critical relationship (researcher's hypothesis)

Also, based on the regression analysis test, two variables of accrual items (earnings management) (DA and auditor expertise in the industry (ISPEC) in companies with free cash flow and little growth opportunity have a significant and negative relationship, which is an inverse relationship and the level of this correlation is 0.077 of course, in the interpretation of this value, it can be said that under the condition of controlling other variables of the model, for one unit increase in FCF*ISPEC, the value of DA077 decreases by 0.1 unit. Also, based on the regression analysis test of two variables of accrual items (profit management) DA and the size of the auditor in companies with free cash flow and little development opportunity have a significant and negative connection, which is inverse and the amount of this correlation is -0.54. For one unit increase in FCF*auditor, DA value decreases by 0.54 units.

The unfounded hypothesis is thus disproved, and the calculated coefficients demonstrate an inverse relationship between the effect of audit quality on free cash flow and profit management.

There is a important connection between discretionary accruals (earnings management) and free cash flow.

In the above hypothesis test, we seek to explain the relationship between the optional accruals variable (earnings management) and the free cash flow variable. The index of correlation ratio is eta (η^2), The regression test's interpretation of the coefficients indicates that, when the other model variables are held constant, an increase in free cash increases the amount of discretionary accruals by 0.144 units per unit, indicating that there is no relationship between the two variables, according to the test's significant and positive eta coefficient value of 0.298, which illustrates the correlation between the two variables. The results of the present study are against the findings of, but they are consistent with the results. In fact, managers of companies with high cash flow and low growth use profit-enhancing optional accruals to eliminate low profits and losses from investing in negative net present value projects and improve their poor performance.

Accruals and audit quality have a significant correlation in businesses with low free cash flow and growth potential.



According to the results obtained in the first and second sub-hypotheses, based on the regression analysis test, two variables of accrual items (earnings management) (DA and industry-specific auditor expertise (ISPEC) have a significant and negative relationship in companies with free cash flow and little growth opportunity. It is inverse and the amount of this correlation is equal to -0.077, which, of course, in the interpretation of this value, it can be said that under the condition of controlling the other variables of the model, for one unit increase in $FCF*ISPEC$, the DA value decreases by 0.077 units. Also, based on the analysis test regression of two accrual items (earnings management) variables (DA and auditor size) in companies with free cash flow and little growth opportunity have a significant and negative relationship, and this relationship is inverse, and the amount of this correlation is -0.54, which, of course, in the interpretation of this value can be said that under the condition of controlling other variables of the model, for one unit increase in $FCF*auditor$, DA value decreases by 0.54 units. The higher audit quality, the less ability management has to manipulate profit, in other words, the invalid hypothesis is rejected and the obtained coefficients show the profit and the inverse connection between discretionary accruals (earnings management) and audit quality.

5-1 Conclusion

Investigating the connection between the free cash flow ratio and audit quality and interest rate in businesses listed on the Tehran Stock Exchange is the goal of the study. The study's findings indicate a strong correlation between free cash flow and profit management, as well as the impact of audit quality on those relationships.

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هه لسه نگاندى کارىگه رى کوالىتى وردىنى له سهر په یوه ندىه کانى نیوان به پړوه بردنى قازانج و پړوشتنى پاره ی نازاد

ئامانجى ئەم لیکۆلینه وهیه بریتىیه له په چا وکردنى کارىگه رى جوړىتى لیکۆلینه وه له سهر په یوه ندى نیوان لىشاوى پاره ی نازاد و به پړوه به رایه تی سوود وه رگرتن له ناو ئەو کۆمپانىایانه ی که له بازرگانى پشکه کانى تاران دانى پیدانا. به رپکخستنى وه لامدان هوه ی ئەم ناو نیشانه، پیوانه به کی تاقىکردنه وه ی 88 کۆمپانىا ره چا و کرا که له ماوه ی سالانى 2011-2021 دا له بازرگانى سه رمایه کانى تاران پازى بوون. دوو پیوانه ی ژماره ی ژمپریار و پړژه ی پسپۆرى پىشه سازى ژمپریار له م لیکۆلینه وه یه دا به کاره یئرا و له پووی پشکىنى جوړایه تی گوپاوه وه. بۆ تاقىکردنه وه ی ئەنجامه کان؛ ئەو مۆدیلا نه ی که له ئاستىکى سه رنجراکپشدا به کارده هپنرین به پړژه ی 95% به کاره یئراون. ئەنجامه کان ئەوه سه لمینن که له زۆریه ی به شه کاندایه یوه ندىه کی سه رنجراکپش هه یه له نیوان به پړوه به رایه تی سوود وه رگرتن و لىشاوى پاره ی نازاد. هه روه ها له دواى لیکۆلینه وه که، کارىگه رى دوو پیوه رى برى ژمپریار و تابه ته ندى تابه ته به پىشه سازى و له کۆتاییدا کارىگه رى لیکۆلینه وه له کوالىتى له سهر په یوه ندىه کانى نیوان لىشاوى پاره ی نازاد و به پړوه بردنى قازانج له نیو ئەو کۆمپانىایانه دا که له بازرگانى پشکه کانى تاراندانایان پیدانا، لیکۆلینه وه ی له سهر کرا. پازىبوون به وه ی که ده رباره ی دیت، ئەوه ئاشکرا بوو که په یوه ندىه کی سه رنجراکپش و هه ماهه نگی هه یه له نیوان لىشاوى پاره ی نازاد و

به‌پۆه‌به‌رایه‌تی سوود وه‌رگرتن و په‌یوه‌ندییه‌کی گ‌رنگ له‌ نیوان جوۆری پشکین و په‌یوه‌ندییه‌کان له‌ نیوان لیشاوی پاره‌ی ئازاد و به‌پۆه‌بردنی سوود. ئەمه به‌و مانایه‌ دیت که کوالیتی پیداجوونه‌وه ده‌توانیت په‌یوه‌ندییه‌کانی نیوان لیشاوی پاره‌ی ئازاد و به‌پۆه‌به‌رایه‌تی سوود لاواز بکات.

تقييم تأثير جودة التدقيق على الروابط بين إدارة الأرباح والتدفق النقدي الحر

الغرض من هذه الدراسة هو النظر في تأثير جودة البحث على العلاقة بين التدفق النقدي الحر وإدارة الأرباح داخل الشركات التي اعترفت بتداول الأسهم في طهران. واعتبر تعديل الاستجابة لهذا العنوان إجراء اختباريال 88 شركة وافقت في تداول رأس المال في طهران خلال الفترة 2011-2021. تم استخدام مقياسين لعدد المحاسبين ومعدل خبير صناعة المحاسبة في هذه الدراسة ومن حيث فحوصات الجودة المتغيرة. لاختبار النتائج ، كانت النماذج المستخدمة على مستوى جذاب 95%. تثبت النتائج أنه بالنسبة للجزء الأكبر هناك صلة مثيرة للاهتمام بين إدارة الفوائد والتدفق النقدي الحر. كما تم في أعقاب الدراسة تأثير مقياسين للمبالغ المحاسبية والخصوصية الخاصة بالصناعة وفي النهاية تأثير دراسات الجودة على العلاقات بين التدفق النقدي الحر وإدارة الأرباح بين الشركات التي اعترفت بتداول الأسهم في طهران. تم الكشف عن الاتفاق على ما يدور حوله أن هناك علاقة مثيرة للاهتمام ومنسقة بين التدفق النقدي الحر وإدارة المنافع وصلة مهمة بين نوع الشيكات والعلاقات بين التدفق النقدي الحر وإدارة الفائدة. وهذا يعني أن جودة المراجعة يمكن أن تقوض العلاقة بين التدفق النقدي الحر وإدارة الفائدة.