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The Extent of Analytical Procedures Implementation (International Standard on Auditing No. 520) in Limited Liability Companies

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Abstract

The study aims to identify the extent of analytical procedure Implementation (International Standard on Auditing-ISA No. 520) in limited liability companies-LLC. The study population consisted of external auditors from non-big 4 companies. A questionnaire was developed and distributed to the study population, 110 questionnaires were returned, and 10 questionnaires were excluded, resulting in 100 questionnaires were analyzed. To achieve the goal of the study, the descriptive analytical approach was relied on using the Statistical Package for Social Sciences (SPSS) program. One of the most important results of the study is that; the external auditor realizes the Implementation of the basic requirements of the ISA No. 520 for analytical procedures in LLC. The auditor faces external difficulties when conducting analytical procedures such as training and courses, weak accounting systems, The use of non-financial data and the difficulty of understanding the requirements for the Implementation of ISA No. 520 in light of the corona pandemic and remote auditing. The most important recommendations of the study are to urge external auditors to adopt continuous training and development to face emergency conditions and to develop an alternative plan, such as developing a plan for a remote auditing

Keywords: Analytical Procedures, ISA No 520

Introduction

The increased volume of audited enterprises has led to the need to find a way to help auditors with their work and save time and effort. International standards on auditing-ISA are the rules and principles that the auditor must adhere to in all steps of the audit process, mainly helping them to form an opinion on the fairness of the presentation of financial statements, their lack of errors, and fundamental distortions. In order to implement the audit process properly, recent trends have emerged in auditing, namely the use of analytical procedures following the requirements of the International Audit Standard No. 520.

This is because of its various results, such as analysis of relationships, ratios, and trends between financial and non-financial items for the same financial period or comparative information for different financial periods, as well as the use of analytical procedures, helps

the auditor to solve the problem at the lowest possible cost. Therefore the auditor can achieve the goal of the audit process and the vision for the future, so the standards were concerned with analytical procedures, especially international standards on auditing. (Matrood et al., 2019)

In this study, the extent to which analytical procedures (ISA No. 520) are applied in LLC will be studied because these companies are essential in the national economy and to reassure management of the validity of financial statements in order to make the right decisions when checking their data, because the work of the auditor adds confirmation to the financial statements and this is achieved by collecting sufficient and appropriate evidence, including the application of analytical procedures in accordance with the ISA which are accepted as a part of the audit process, and achieves an increase in the effectiveness of the audit process, the auditor should use auditing control procedures that enable him to verify the continuity of the company's activity, in which the analytical procedures play an active role.

The Objective of the Study

The study aims to know the extent to which analytical procedures (ISA No. 520) are applied in LLC by external auditors' practitioners and to know what are the difficulties that the auditor faces when applying analytical procedures, especially in light of the current circumstances, which are characterized by the spread of CORONA virus, resulting in the closure of some facilities. In order to give a neutral technical opinion and ensure the validity of financial and non-financial statements, it also aims to help the auditor to make quick decisions with the least effort and cost and achieve high quality; therefore, the goal of the analytical review at any stage of the audit is to direct the auditor towards the required evidence (Al-Thneibat, 2015 p. 211)

The Importance of the Study

The use of analytical procedures contributes to reducing the errors of external audit reports, which significantly affect the financial community's confidence in the audit process, and also affects the practical steps to implement the audit process because it carries in its principles accuracy in obtaining information through the accuracy of its mechanisms. It is a modern, carefully selected method, and the auditor must avoid the possibility of making mistakes and risks of external auditing by doing the maximum possible professional care while adhering to the accepted standards on auditing (Mohammed et al., 2016).

Therefore, the importance of the study comes through the importance of applying ISA, especially ISA No. 520, and clarifying the most critical difficulties when applying this standard from the point of view of external auditors practitioners and trying to solve the difficulties they face when auditing LLC. Also help reduce the audit time by helping the auditor to identify the necessary items and shed light on the various aspects related to analytical procedures, which will contribute to the advancement of the auditing and accounting profession, as well as the findings of the study contribute to the importance of applying the ISA No. 520 and what the difficulties of application in LLC.

The Problem of the Study

Article 53 of the Jordanian Companies Law and its amendments No. 34 of 2017, and in articles (61 and 62) of the same law. The LLC is exempted from publishing its annual budget and calculating its profits and losses, and a summary of the report of its director or management committee in the local newspapers. It is the responsibility and duties of the company's

director to prepare the company's annual budget and its final accounts and the necessary clarifications with the recognized international accounting and auditing standards (Abu Nassar, 2015 p. 415). Therefore, it requires confidence and credibility in its financial statements through an efficient and effective audit process; this can be achieved by following the recognized ISA (Nashwan, 2016). Thus, the problem of the study is to answer the following questions:

1. Is the external auditor aware of the basic requirements of the International Audit Standard 520 for analytical procedures when auditing LLC?

-2. Does the external auditor have difficulty applying analytical procedures (training and courses, weak accounting systems, using of non-financial data, difficulty understanding the requirements of the standard, and applying analytical procedures in the light of the practice of remote auditing during the CORONA pandemic). ?

Limitations

- The study is limited to LLC.
- Sample study is the external auditors' practitioner from non-big four companies.
- Time limits in 2021 which is characterized by exceptional circumstances.

Theoretical Framework and Previous Studies

The Concept of Analytical Procedures

The accounting and auditing profession faces serious challenges, including providing data contrary to the reality of relevant economic events and manipulating data to achieve certain objectives. Therefore, the facility must, in order to avoid this, have an effective internal control system that ensures the preservation of economic resources and accuracy of financial statements and must convince management to rationalize and preserve resources and in case there are any errors; they should be addressed, also must be there a third party (external auditor) who examines various activities according to predetermined foundations, in coordination with the internal control system, to verify the validity of the information provided, and to ensure that it is free of material errors and therefore reflects the fairness and clarity of the results of the activity during a specified period (Matrood et al., 2019).

An analytical review examines the information in the records accounts. It compares it with other information and internal and external data to come up with an opinion on the homogeneity of this information with what is known about this facility and its activity (Al-Thneibat, 2015, p. 211).

Analytical procedures evaluate financial information by analyzing acceptable relationships between financial and non-financial data, including identifying inconsistent relationships with other relevant information (IAASB2014, P442).

Uses of Analytical Procedures (International Standard on Auditing No. 520)

Basic fundamental analytical procedures are used to verify the reasonableness of the book value for a financial statement item in light of the value estimated by the auditor for this item through more than one method, such as inquiry and expectations of previous audit results, internal and external information review, vertical and horizontal analysis and the use of ratios, comparisons and other methods that achieve the auditor's objective (Waza, 2015 AD).

The application of analytical procedures is an important step undertaken by the auditor at all stages of the audit, whether in the planning phase of the audit process, where the analytical procedures are mandatory and the goal is to understand the client's activity, knowing the preliminary figures and their compatibility with the expectations of the auditor, identifying weaknesses concerning financial processes with a focus on the most important matters. Alternatively, applying these analytical procedures during the implementation phase of the audit process or in the detailed testing phase (substantial) where the conduct of these procedures at this phase is optional and aims to provide the auditor with an appropriate level of confidence and confidence in the internal control system. After the audit process, the auditor will be able to form the final picture of the financial statements, determine the safety, fairness, and honesty of the financial statements in general, and judge the continuity of the facility (Al-Thneibat 2016 p. 216; IAASB, 2014).

Where the external auditor practitioner uses the financial and non-financial information available in the company and uses his various skills and audit experience to link relations with each other, such as comparing the information available for this year with the previous year or comparing the value of sales with the company's activity and other examples in order to obtain or infer the causes of these changes. Thus, discovering weaknesses and strengths, determining the type of evidence that will be used, and the auditor's assessment of the company's status, to reach a neutral technical opinion (Arens et al., 2015; Al-Abdali, 2011).

The external auditor also uses analytical procedures to determine the severe financial issues that the auditor may face. By using analytical procedures, the auditor assesses the risks that lead to financial failure, which may affect the ability of the auditor to continue. In contrast, the auditor uses many analytical methods such as analysis of ratios and financial indicators such as the long-term debt ratio is high with a decrease in the average ratio of profits to total assets (Jouda, 2018)

The good use of analytical procedures requires the availability of specialized knowledge in accounting, mathematics, and statistics and technical and professional expertise in the auditor, on which he can determine the amount of detailed testing. As well as, the excellent use of analytical procedures helps to provide the validity and fairness of financial statements. (Farid, 2017) The analytical procedures are also used in the public sector, which is not a profit sector, since there may not be relationships between the items of financial statements available in the commercial sector applied in the public sector, for example, the direct relationship in the commercial sector between revenue and expenses may not be available in the government sector because it does not provide data for comparison purposes (IAASB, 2014).

The literature generally categorizes analytical review procedure techniques into three general categories:

1. **Judgmental, analytical procedure technique:** This method is based on surveying or comparing two points, e.g., comparing sales revenues of this year with the previous year.
2. **Simple quantitative technique:** Uses reasonableness tests and includes non-financial data estimating the balance of the account, e.g., estimating salary expenses by multiplying the number of employees at working time and the average wage rate as well as using the turnover rates of sales and the debtor.

3. **Quantitative technique Advanced:** Predictive methods such as regression and time series are used, which are mathematical methods that provide the best predictability of the data available. (Abd-Samad & Hassan 2014)

While using analytical procedures, the auditor must ensure the reliability of the data used by the following; the source of the available information, the extent of its comparability, and the nature and adaptation of the available information. Because at the end of the audit phase, the external auditor is required to express a neutral technical opinion, so the auditor must ascertain the source of information. (Hade-Abd, Kareem, & kadhim, 2019)

LLC consists of two or more people. The company with its resources and funds is responsible for its debts and liabilities, and the partner is not responsible for those debts, obligations and losses except by the amount of its shares in the company. The company's financial disclosure is considered independent of the financial disclosure of each partner. Article 53 of the Jordanian Companies Law and its amendments No. 34 of 2017.

Previous Studies

Several studies have been conducted in various countries on ISA, specifically ISA No. 520, analytical procedures, for example:

1. Study (Al-Qutaish and Makhlof, 2019) "The extent of using analytical procedures in Jordan in light of the international standard on auditing No. 520"

The study aimed to evaluate the use of the external auditor of ISA No. 520 in industrial public shareholding companies. To achieve the objectives of this study a questionnaire was designed consisting of 38 questions distributed to a sample of the 46 external auditors practitioners, and one of the most important results of the study was that the auditors do not use analytical procedures adequately, on the other hand, one of the most important recommendations of the study is the need for the competent authorities to hold training courses, workshops and seminars related to the application of analytical procedures and verify the commitment of auditors to apply quality control procedures.

2. Study (Matrood et al., 2019) "The impact of the application of analytical procedures by external auditors in accordance with ISA No. 520 on improving the performance of audit, an exploratory study in Iraqi audit companies."

The study aims to clarify the use of analytical procedures by audit companies in Iraq to improve the performance of the audit process and the extent to which Iraqi auditors comply with the requirements of the standard No. 520. To achieve the goal of the study a questionnaire was designed and distributed to 48 audit companies randomly, 196 questionnaires were distributed, and 187 questionnaires were retrieved, and 12 questionnaires were excluded, the remaining 175 questionnaires are ready for statistical analysis. One of the most important results of the study was that the use of analytical audit procedures helps the auditor in the planning and timing the audit process because it has an important impact on detecting manipulation and distortion in financial statements, as well as the most significant obstacles is the lack of training courses that face the external auditor when using the analytical procedures. One of the most important recommendations of the study was that the Association of Certified Public Accountants should organize workshops, courses and seminars for chartered accountants on the use of analytical procedures as well as supervising audit offices and requesting from audit offices to develop performance monitoring procedures.

3. Study (Moolman et al., 2017) "The usefulness of analytical procedures, other than ratios and trend analysis, for auditor's decision".

This study aims to analyze and compare the advantages and disadvantages of analytical procedures other than ratios and trend analysis for auditor's decisions. After analyzing the literature, the results indicate that the additional analytical procedures complement the ratios and trend analysis, especially when evaluating continuity and identifying the error, fraud and risk assessment. Also, the Value-Added Law and Benford's Law were used. Thus, it was found that it's impractical to use them if the establishment did not apply them in accordance with cost-benefit.

4. Study (Al-Waza, 2015) "The importance of using analytical procedures in improving the performance of the audit process: a field study on audit offices in the Syrian Arab Republic."

The study aimed to recognize the importance of using analytical procedures in the audit process by detecting the risks of auditing and drawing the attention of the auditor to possible errors, showing the role of analytical procedures in reducing the cost of the audit process and thereby improving the completion of the audit process. To achieve the study's objectives, a questionnaire was designed and distributed to a sample of the 60 auditors working in the Syrian Arab Republic. Among the most important results of the study, the auditor's use of analytical procedures contributes to understanding the nature of the client's work, identifying areas of potential errors, and identifying deviations and weaknesses that require extensive evidence collection to be examined.

The use of analytical procedures also contributes to reducing risks, primarily the risk of detection, as well as reducing the cost of the audit process, where the results of the analytical procedure contribute to determining the extent to which the auditor needs further examination and evidence collection, the use of analytical procedures is also positively related to the academic qualification and the experience of the auditor. One of the most important recommendations of the study is that the auditor should use analytical procedures in the implementation of the audit process and develop skills and capabilities to use analytical procedures because they effectively save time and effort and thereby reduce the cost of performing the audit process.

5. The study (Al-Nawaiseh, 2008) "The extent to which analytical procedures are applied in auditing: a field study from the point of view of the external auditor in Jordan."

The study aimed to identify the extent to which analytical procedures are applied in auditing from the point of view of the external auditor in Jordan, as well as to indicate the extent to which the importance and obstacles to the application of these procedures are understood, in addition to studying the impact of the job position, audit fees and the expert experience in the application of analytical procedures. A questionnaire was designed in order to achieve the objectives of the study and test its hypotheses, where the final sample, approved for research and analysis purposes, was formed from (80) auditors, randomly selected out of (350) practitioners in the profession within the Kingdom, they work for licensed audit offices until the end of 2004.

The study found that auditors are aware of the importance of quality auditing by (74.8%), and use non-quantitative analytical procedures by (73%), The simple quantitative analytical procedures by (61.4%), and advanced quantitative analytical procedures by (49%), the study concluded with some recommendations to develop the performance of the profession, the most important of which is the need to apply all levels of analytical procedures for their

importance in auditing, and urge customers to pay attention to the internal monitoring system of their facilities.

What Distinguishes this Study from Previous Studies

The previous studies are critical and have been addressed from different angles, and this study comes as a continuation of the previous studies, and according to the researcher's knowledge, it was interested in studying a research problem that the previous studies did not address, which is the application of analytical procedures (ISA No. 520) in LLC in Jordan from the point of view of external auditors practitioners, as well as the timing of the study, was limited to 2021.

Methodology

This chapter aims to review the methodology used, population and sample study, data collection sources, study tool, and study hypotheses, and includes a presentation and analysis of test questions for the study.

The Study Population and Sample: The study population is known as all the vocabulary that are studied by the researcher and consists of all external auditors practitioners. A random sample of the study population will be selected to distribute the study tool to them.

Data Collection Sources: Data collection sources consist of two sources:

Preliminary data: Through designing a questionnaire and collecting and compiling the necessary information for the subject of the research, the questionnaire was divided into two parts, the first is demographic information and the second is questions that enable answering the objectives and questions of the study. After testing and revising the questionnaire, 150 questionnaires were distributed to the sample of the study, 110 questionnaires were recovered, and 10 questionnaires were excluded that were not valid for analysis, so 100 questionnaires were analyzed, and the reason for the lack of responses from external auditors practitioners could be attributed to the health conditions in the region and the issuance of defense orders, and the closure of many facilities and companies of all kinds, so we were not able to easily distribute the questionnaire due to the difficulty of accessing some auditors practitioners.

To gather empirical data about facts, behaviours, opinions, and attitudes from a large sample of respondents, Maylor & Blackmon (2005) suggest using a questionnaire survey. When compared to having an interviewer conduct the survey, respondents are more likely to choose the self-administered questionnaire because of the perceived time, money, and energy savings. Furthermore, it is more practical for interviewees because interviewers do not play a role in the procedure (Bryman & Bell, 2015). However, there may be flaws and restrictions even in self-administered techniques. Such issues may include the inability to obtain necessary context, explanations, or both.

Secondary Data: by relying on reviewing books, periodicals and publications related to the subject under consideration and international standards on auditing and any references that contribute to enriching this subject scientifically.

Study Tool

The questionnaire was used as a data collection tool in order to complete the practical study of the subject, distributed to a sample of external auditors practicing without auditors working with the Big Four audit companies, the largest audit companies in the world that capture the world's highest market share in the audit profession market; Deloitte, Price Waterhouse coopers, KPMG, Ernst & Young (Al-Atawnah, 2016 p. 9)

After analyzing its data, it became clear that the sample of the study has the following characteristics: the personal information of the interrogator, which includes (academic qualification, specialization, job position, number of years of experience in auditing, type of professional certificate in the field of audit), and the other section is the axes of the study and consists of (21) questions distributed on two axes, the first is the application of analytical procedures and the second is the difficulties of applying analytical procedures.

Data analysis and answer to study questions: description of the study sample

Academic Qualification

Table No. 1

Academic qualification	Number	Percentage
PhD	22	22%
Master	16	16%
Bachelor	59	59%
Diploma	3	3%
Total	100	100%

By analyzing table No. 1, we note that (59) people from the study sample hold a bachelor's degree of 59%, which is a prerequisite for the practice of auditing, (16) people with a master's degree of (16%), (22) people with a PhD by (22%) and (3) people with a diploma by (3%), which indicates that the population and sample study are educated and this raises the level of completion of the profession and mastery of ISA.

Academic Qualification

Table no. 2

Academic qualification	Number	Percentage
Accounting	75	75%
Financial sciences	15	15%
Business Administration	4	4%
Economy	6	6%
Total	100	100%

By analyzing table No. 2, we note that the majority of the sample members specialize in accounting and make up (75%) of the sample members, which indicates that the majority of the sample members are qualified, which is the most focused specialty on ISA compared to other disciplines, (15%) of the sample members specialize in financial and banking sciences, (4%) business administration and (6%) economy, indicating that all members of the study sample have the ability to understand the requirements of ISA No. 520 Thus, they are able to apply it.

Number of Years of Practical Auditing Experience

Table No. 3

Number of years of experience	Number	Percentage
Less than 5 years	1	1%
5 years to less than 10 years	16	16%
10 to less than 15 years	30	30%
Over 15 years old	53	53%
Total	100	100%

By analyzing table No. 3, we find that the majority of the sample members have practical experience, as more than (53) people with (53%) practical experience over (15) years, (30%) of people with (30%) experience from (10) years to less than (15) years, (16%) of people with (16%) experience from (5) years to less than (10) years and one person with less than (5) years of experience, we conclude from this that most of the sample members have Sufficient practical experience and practice.

Type of Professional Certificate in the Field of Auditing

Table No. 4

Type of professional certificate in the field of auditing	Number	Percentage
JCPA	78	78%
CPA	20	20%
CIPA	2	2%
Total	100	100%

By analyzing table No. 4, we find that the majority of the sample members have a Jordanian legal auditor JCPA certificate of (78%) and their number is (78) people, and (20%) of the sample members have a CPA professional certificate of (20) people, (2%) of the sample members have a professional certificate CIPA and the holders of the last certificate are distinguish from other certificates holders by their knowledge of the provisions of Islamic law in addition to auditing. All these certificates are a prerequisite for the practice of auditing.

- **Answering the questions of the study:** analyzing and discussing of the second part of the questionnaire to determine the extent to which the analytical procedures (ISA No. 520) are applied in LLC, and the following table summarizes the arithmetical mean and standard deviations of the sample members' answers to the study questions.

1. Does the external auditor understand the essential requirements of ISA No. 520 for analytical procedures in LLC?

This question was answered by analyzing the questionnaire data from question No. 1 to 15, where five answer levels were developed, and each level represents significant weight for the answer ranging from (1-5) to the Fifth-Likert scale distributed on the questionnaire paragraphs.

Table No. 5

Rating	Very ok	Ok	Neutral	Don't agree	Strongly disagree
Coding	5	4	3	2	1

The default arithmetic mean of (3) was adopted to represent the minimum good application percentage, and the arithmetic mean of (3) is considered to represent the minimum to a good degree, meaning that the higher the arithmetic mean and greater than (3) the better, which confirms the validity of the question, and the lower the arithmetic mean of (3), i.e. the answers of the sample members tend to disagree, which indicates the weakness of the question tested as in the study (Al wazah, 2015).

Table No. 6

No.	Statement	Mean	Std. Deviation
1	Are analytical procedures used in the planning phase of the audit process?	3.82	1.029
2	Are analytical procedures used during the audit phase?	3.90	.798
3	Are analytical procedures used in the final phase of the audit?	3.83	1.016
4	Does the external auditor apply simple analytical procedures?	3.98	.841
5	Does the external auditor apply advanced analytical procedures?	3.68	.931
6	Does the use of analytical procedures reduce detailed audit tests?	3.64	.980
7	Does the external auditor use preliminary analytical procedures to assess the company's viability?	3.71	.902
8	Does the application of analytical procedures reduce the expectation gap?	3.71	.902
9	Is the application of analytical procedures compulsory at all stages of the audit?	5.00	.000
10	Can analytical procedures be applied to consolidated financial statements, departments and branches?	5.00	.000
11	Does the auditor use analytical procedures to detect unusual items in financial statements?	5.00	.000
12	Are modern analytical procedures used to predict the future of the company?	3.69	.775
13	Does the application of analytical procedures prevent the registration of any unreal financial transactions?	3.69	.775
14	Does the use of analytical procedures contribute to increased knowledge and procedures of the audit process?	3.69	.775

15	Does the application of analytical procedures contribute to avoiding the shortcomings of the audit process?	3.69	.775
	Mean total	4.0020	.45556

Source: Prepared by the researcher based on the results of the analysis of the answers of the sample members and SPSS program.

The results of the questionnaire analysis on the first question appear (Does the external auditor understand the essential requirements of ISA No. 520 for analytical procedures in LLC?) Where the number of questions that measure was 15 questions distributed on standard dimensions as in table No. 6. The results showed that the average of the group is (4.002), which indicates that the sample's approval about the mean was achieved. Through table No. 6, it is noted that the sample trends are all high, and it is noted that paragraphs No. 9, 10, 11 are the most approved paragraphs with an arithmetic mean (5) of the three paragraphs, meaning that the application of analytical procedures is mandatory at all stages of the audit, making it easier for the auditor to know the type and mechanism of evidence that can be collected. Analytical procedures are also used on all data in order to discover unusual items, while the rest of the paragraphs obtained approval because arithmetic mean is above (3) Degrees. By analyzing the standard deviations of the paragraphs, we find that there is homogeneity in the answers of the sample members, as they are less than (1) except paragraph 1 and paragraph 3.

Does the external auditor have difficulty in applying analytical procedures (training and courses, weak accounting systems, use of non-financial data, difficulty in understanding the requirements of the standard, applying analytical procedures in the light of the practice of remote auditing during the Corona pandemic) ?

No.	Statement	Mean	Std. Deviation
16	Does the external auditor have difficulty in training when applying analytical procedures?	3.69	.775
17	Are there training courses available on the application of analytical procedures at all stages of the audit?	3.69	.775
18	Is there a weakness in accounting systems in facilities under audit and lack of required data?	3.69	.775
19	Is there any difficulty in using non-financial data?	3.60	.876
20	Is there any difficulty in understanding the requirements of ISA No. 520?	3.60	.876
21	Does the auditor have difficulty in applying analytical procedures in light of the practice of remote auditing during the Corona pandemic?	3.60	.876
	Overall analysis	3.6450	.64860

Source: Prepared by the researcher based on the results of the analysis of the answers of the sample members and SPSS program

This question was answered by analyzing the data of the questionnaire questions from question No. 16 to question No. 21, where the results showed that the average group is (3.6450), which means that sample's approval about the mean was achieved, therefore auditors face these difficulties (training and courses, weak accounting systems, use of non-financial data, difficulty in understanding the requirements for applying the ISA No. 520 and its application in the light of the practice of remote auditing during the Corona pandemic). All response statements are close to the mean and standard deviation is homogeneous. Thus, the external auditor faces these difficulties when applying analytical procedures, so in this study it is necessary to know how these difficulties can be overcome when applying analytical procedures.

Discussing the Findings and Recommendations

1. Most of the members of the study sample have academic qualifications suitable for their work, most of them have an accounting major and have appropriate practical experience and appropriate professional certificates and this is sufficient evidence of their interest in the audit profession of auditing because the opinion of the independent auditor is important to the facility under audit as well as important to the owners.

2. External auditors are aware of the requirements of ISA No. 520, because it is important to guide the auditor to the type of evidence and the amount of detailed tests he needs to reach a neutral technical opinion and evaluate the activity of the facility, and it is important to understand the requirements of the Standard because it is used at all stages of the audit, whether the planning phase, the audit phase, or the final test phase.

3. Auditors face difficulties in applying analytical procedures (training and courses, weak accounting systems, use of non-financial data, difficulty understanding the requirements for applying the ISA No. 520 and applying it in the light of the practice of remote auditing during the Corona pandemic) and this is what emphasizes the role of the Association of Auditors in following up its affiliates of external auditors and following up the level of training and courses, as well as helping and directing companies under audit to develop accounting systems that keep pace with the development of the audit profession, as well as practitioners should follow ways to control these difficulties, e.g., the practice of electronic auditing, the practice of remote auditing: the most important thing that the auditor faces under the Corona Pandemic is the Documentary Evidence (i.e., is a type of audit evidence developed by auditors as they examine documents), which is a key weakness in auditing. The (IFAC, 2020) has collected seven key steps that the auditor must take during the Corona pandemic: creating a crisis management plan, creating virtual communication action plans, creating a communication strategy, providing your members with resources, and providing your members with resources, planning contingencies for several scenarios, and increasing communication.

The audit method must be developed through the application of modern audit methods that rely on the use of technology and communications such as the remote audit, which leads to the practice of auditing efficiently (Daoud & Serag, 2021)

4. The study is consistent with the results of (Matrood, 2019) study that one of the obstacles to the use of analytical procedures is the lack of seminars and courses, which indicates that the Association of Auditors does not follow up on the holding of courses to the auditors and their continuous training.

5. Consistent with the results of the study of (Al-Juhmani & Bagelida, 2008) on the use of simple analytical procedures to a relatively high degree where the arithmetic mean (3.98) as

well as the use of analytical procedures in the planning phase of the audit process where the arithmetic mean of this paragraph (3.82). Also, the study of (Iman, 2018)) used analytical procedures at various stages of the external audit process, this shows the extent to which the auditors are aware of the application of ISA at all stages of audit and in all companies.

6. Consistent with the results of the study (Al-Juhmani, 2008) on the obstacles to the use of analytical procedures in terms of the lack of non-financial data, weakness in accounting systems in facilities under audit, and also in accordance with the results of the Study of (Al-Abdali, 2011) in the existence of difficulties in obtaining the data necessary to carry out analytical procedures, which affects the results of the efficiency and effectiveness of the audit process. As well as the results of the study of (Al-Nawaiseh, 2008) on the difficulties of applying analytical procedures and the weakness of the internal monitoring system, so the external auditor should use the analytical procedures in the initial stages of the audit process to evaluate the situation of the company.

7. The application of analytical procedures reduces the expectation gap, and is consistent with the results of the study (Amin & Mohammed, 2020) that all methods of analytical procedures reduce the expectation gap at all stages of the audit whether quantitative or non-quantitative methods are used.

8. Consistent with the study of (Abu-Mayaleh, 2012) in that the use of analytical procedures reduces the detailed tests in the audit with an arithmetic mean is (3.64), so when the auditor did not find significant substantial differences when using the standard of analytical procedures, this indicates a decrease in the possibility of irregularities or significant errors compared to previous periods which reflects on other types of evidence.

9. The study differed from the study of (Al-Juhmani, 2008) on the use of advanced analytical procedures as in this study the arithmetic mean of this paragraph is (3.68), which means that it took the degree of approval for the use of analytical procedures in contrast to the study of (Al-Juhmani, 2008) proved that the use of advanced analytical procedures is relatively minor compared to the use of simple analytical procedures.

10. Does the external auditor use the preliminary analytical procedures to assess the company's ability to continue and predict the future of the company and in accordance with the results of the study of (Al-Hasani & Al-Shammari, 2018) where the analysis of ratios and analysis of direction can be used in assessing the company's ability to continue and predict the future of the company.

After discussing the results of the study and comparing it with previous studies, the study questions can be answered

Is the external auditor aware of the basic requirements of IAS No. 520 for analytical procedures in LLC companies? The answer is yes.

Does the external auditor face any difficulties in applying the analytical procedures (training and courses, weak accounting systems, use of non-financial data, difficulty understanding the requirements for applying the ISA No, 520 and applying it under the practice of remote auditing during CORONA pandemic)? Answer yes!

Recommendations

1. Urge universities to teach international audit standards in the latest ways and link them to practical reality with holding workshops for students on how to practice international audit standards in practice.

2. Urge external auditors to train continuously and develop themselves in case of emergency conditions and develop an alternative plan such as the emergence of COV in this period, which forcing the auditor to develop a plan for the practice of remote audit.
3. Obligating all auditors to apply the requirements of the ISA No. 520.
4. Continuing education and training in analysis and linking advanced relationships in analysis and knowledge of advanced statistical methods.
5. Obligating all companies to apply the latest systems in their operations.
6. The results can be generalized to neighboring countries, as this study was applied in Jordan.

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