

**THE POSSIBLE EFFECTS OF ORGANIZATION'S CORPORATE ACCOUNTABILITY
SENSE ON CONTINUOUS AUDITING: THE CASE OF ISE 100***

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ABSTRACT: *The applicability of continuous auditing, which is deemed as the future of auditing, in terms of enterprises can be presented depending upon corporate management mentality of enterprises. As for the corporate management mentality within enterprises, it can be presented based on accountability which is a concept involving internal and external considerations. Consequently, the aim of this study is to identify the potential impacts of the corporate accountability mentality of enterprises on continuous auditing. In accordance with this purpose, a corporate accountability index has been prepared and the variables have been determined in the first place. Then, the data of the enterprises included in Istanbul Stock Exchange (ISE) 100 Index regarding these variables have been construed; thus, the potential impacts thereof on continuous auditing have been tried to be determined.*

KEYWORDS: Corporate Accountability, Continuous Auditing, ISE 100 Index

Jel Codes: M41, M49

INTRODUCTION

The continuous auditing fact was propounded as a result of globalization and developments in information technologies in 1990s and the applicability of which has been more discussed after the accounting scandals of 2000s. It is in a stage of being exemplified or tried to be implemented in today's enterprises. Continuous accounting has become the key element of the risk monitoring strategy of internal auditing departments of many enterprises. Moreover, continuous auditing is increasingly being used as a means of improving the efficiency of independent auditing and continuous auditing means are becoming the key elements of corporate management, since corporate management mentality of organizations works through focusing on strategic corporate risk management (Kuhn and Sutton, 2010: 91-92). Hence, determination of potential impacts of corporate accountability mentality in enterprises on continuous auditing is aimed in the study. In parallel with this purpose, the potential impact of this mentality on continuous auditing is tried to be determined through accessing the data of the enterprises included in Istanbul Stock Exchange (ISE) 100 index within the context of the corporate accountability index being prepared.

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Continuous Auditing Fact

Continuous auditing is a methodology which has been started to be discussed under the guidance of trade bodies and the applicability and processes of which is being developed by academicians. In the most general sense, continuous auditing is the production of instantaneous auditing outcomes of transactions when they materialize or after a while. Transactions here are not only related to financial statements of an enterprise, but also can be daily transactions and even transactions related to strategic projects affecting the long-term financial status of the enterprise. The necessity of daily reporting, the starting point of continuous auditing, has been mentioned in the report of AICPA called Special Committee on Assurance Service (1995) for the first time. It has been emphasized in this report that, information used for decision making is mostly based on unaudited data. Continuous auditing and test notions are included in the report so as to prevent this (Cited by El – Masry and Reck, 2008: 781).

Thereafter, the continuous auditing research report, known as the Wood Committee Report conducted by CICA (Canadian Institute of Chartered Accountants) and AICPA, has been published in 1999. According to this report, continuous auditing is a methodology enabling independent auditors to provide written assurance for the transactions when they just materialize or after a while. Furthermore, determination of conditions necessary for performing continuous auditing, how to identify a hypothetical continuous auditing fact, and research subjects required of implementing continuous auditing have been included in this report along with the continuous auditing itself and academicians and practitioners are suggested to research on continuous auditing (Cited by Rezaee et al., 2002:148). Moreover, the following three basic conclusions about continuous auditing are achieved in this research report:

- Continuous auditing can be implemented under certain interrelated conditions (such as auditing procedures based on high level of automation).
- Academicians' researches, practitioners' experiences, and guiding principles by standard-setting bodies can contribute the development of continuous auditing services.
- A demand for more reliable, valid and just-in-time decision making information engendered the necessity of continuous auditing. However, auditing profession must brace itself for being able to realize this auditing type (CICA and AICPA Report, 1999).

On the other hand, according to the Global Technology Auditing Report (GTAG) prepared by the Institute of Internal Auditors (IIA) in 2005, continuous auditing has been identified as fulfillment of activities related to auditing by auditors on a continuous basis in an enterprise. In these premises, continuous auditing is composed of continuous control assessment and continuous risk appraisal. Continuous auditing is a uniform frame combing auditing functions and auditing methodology. Continuous control assessment involves identifying control deficiencies as well as deceptions, faults and irregularities, while continuous risk appraisal comprises the issues of proving continuousness of the process, developing auditing plans for the enterprise, enhancing individual auditing activities, and applying auditing suggestions (GTAG, 2005).

The continuous auditing fact constituting the terminology of trade bodies within the context of the mentioned researches has become a frequently studied field by the academicians in line with the appeals of the trade bodies as well. The studies within the literature, especially by Rezaee et al have provided significant contributions to development of continuous auditing

fact. According to Rezaee et al (2001: 151), continuous auditing represents a systematical process enabling electronic auditing evidences to be collected for providing an opinion regarding financial statements prepared in a paperless and real time environment and presented truthfully. In accordance with another definition by Rezaee et al, continuous auditing is a comprehensive electronic auditing process enabling a continuous assurance of the auditor while and after the creation of information (cited by Cankar, 2006). Therefore, continuous auditing emerges in conjunction with a real-time accounting system according to the authors, while a real-time accounting system and auditing evidences then means information that can only be accessed in an electronic environment (Rezaee et al, 2001: 150).

Because, it has a critical role in providing updated and reliable financial information and in operation decisions in a real-time economy such as strategic planning, capital increase and credit decisions (Chan and Vasarhelyi, 2011: 152). Retrospective auditing through financial reports, namely traditional auditing fails to satisfy the needs of financial information users. As a consequence, updated electronic information produced by real-time accounting systems is required. Continuous auditing is a system enabling pure electronic auditing processes to provide assurance for auditors through continuously produced data. Furthermore, continuous auditing ensures the reliability of continuous information provided for auditors by management and third parties (Rezaee et al, 2002: 150). The main aim of financial auditing through electronic documents and reports prepared depending upon real-time accounting implementations is nothing different. Moreover, diffusion of e-trade enables auditors to utilize online auditing techniques. Thus, continuous auditing is getting developed (Rezaee et al, 2002: 149). Continuous auditing is composed of the following four stages based on the differences specified in the table (Chan and Vasarhelyi, 2011: 157-158):

- Automation of auditing procedures,
- Developing data modeling and comparison: Tests and measurements by using analytic models should be made for this.
- Performing data analysis: Using principle-based analytic models, especially for monitoring continuous controls, enables comparison of internal control systems of enterprises.
- Reporting

However, there should be some certain conditions should be maintained for performing continuous auditing in the abovementioned stages. These conditions are as follows (Murthy and Groomer, 2003: 11):

- Customer must have a highly reliable system and must enable auditors to access the required information instantaneously.
- Issues related to auditing must have the necessary features for practicability of auditing. For example, in case of an auditing focused on internal control systems, auditor should necessarily be capable of accessing electronic data related to internal control.
- Auditors should be highly familiar with information systems, computer technologies and auditing issues.
- Automatic auditing procedures should provide necessary auditing evidences related to data being audited.
- Necessary auditing evidences reliably possessed by an auditor should lead the auditor to access the opinions related to auditing.
- An auditor should access and control auditing evidences livingly as a result of continuous auditing procedures.
- Customer must guarantee that he/she promotes and implements continuous auditing in his/her enterprise.

There are some potential benefits of auditors in case of continuous auditing implemented under the specified conditions. These are as follows (Rezaee et al, 2002:151):

- More cost-effective since provides a process that auditor are able to audit almost all of data of an enterprise.
- Saves time used for auditing by auditors.
- More qualified financial auditing.

Continuous auditing fact appears to be the auditing fact of future based on the said potential benefits. Accordingly, continuous auditing appears to be a technological innovation within traditional auditing processes. Therefore, future estimation of continuous auditing could be listed as follows (Chan and Vasarhelyi, 2011: 159):

- Continuous auditing fact will replace traditional auditing fact and become integrated with it.
- Real-time continuous auditing will especially used for high-risk enterprise processes and also used frequently for other business processes.
- Information system errors will occur more rarely within the context of continuous auditing.
- Standardization in data collection and formalizing internal control systems is crucial in terms of auditing automation.
- The role of the auditor will go beyond boring auditing procedures in which irregularities are investigated and will require detailed auditing procedures involving mostly value judgments and professional skepticism.
- The role of the independent auditors within continuous auditing fact will transform into independent internal auditor within continuous auditing systems.
- Efficiency of auditing as well as level of detecting errors of fact, deceptions and negligence are being increased by monitoring and testing all transactions within the enterprise.
- Double-level analyses of data and accounts are utilized within continuous auditing and serve for detecting deceptions.
- For implementing continuous auditing, first of all conditions with no obstacles preventing accessing data related to business processes.

As a conclusion, effective financial decision making depends on the quality and actuality of financial information. This means that, electronic and digital information is more actual, flexible, accessible, transmittable, and transparent and easier to be kept, summarized, and organized in comparison to paper-based information (Rezaee et al, 2002:148), so that automation of auditing becomes feasible. Because, automated modern auditing utilizing information technologies has become important by being affecting by both technological developments and the change of regulatory environment. Nevertheless, because of the situation of being exposed to risk which occurs increasingly in modern organizations and the complexity of business operations, automation became a requirement for auditing (Alles et al. 2008: 3). This fact also affects the corporate management mentalities of enterprises. Because, real-time reporting in enterprises and hence real-time auditing enhance the reliability of information provided by enterprises for information users. Thus, continuous auditing becomes the auditing fact of future.

Corporate Accountability

The need of responding to changes occurred in community based globalization phenomenon and the changing conditions due to developments in information technologies caused new corporate behavior patterns of enterprises. This situation not only determines the perspectives of countries to corporate governance, but also is of importance in terms of maintaining the

self control mechanisms of enterprises. This new aforementioned corporate fact is a sensitive regulation according to some authors, while is a collaborative institutionalization for some other authors and a commodity arrangement for others (Hess, 2007: 454). However, corporate accountability concept underlies all of these.

As is known, corporate management discussions center upon the internal mechanisms of enterprise in general and are explained along with clarity and transparency. These explanations do not mean that shareholders are not interested in corporate management. It is also possible at this point to mention the corporate accountability concept as a concept covering internal and external evaluations regarding the corporate management mentality in enterprises. The sustainability and corporate management concepts being increasingly used in enterprises amount to the sum or convergence of accountability efforts of enterprises. Because, the identity and nature of accountability become clear as the sustainable reporting of enterprise is questioned. Thus, this can be associated with transparency thoughts of enterprises (Kolk, 2008: 3-4).

Nonetheless, corporate management and continuous auditing is also known to increase the level of accountability in enterprises and various studies and research reports are available in the literature related to this issue. For example, Kolk revealed in his study on the corporate management mentalities of enterprises within the Fortune Global 250 of 2008 that, the sustainable reporting systems of enterprises result from their corporate management mentalities and their corporate management mentalities directly contribute to their accountabilities. However, accountability is one of the concepts underlying the corporate social responsibility of enterprises as well. For example, according to Gray et al (1988: 9), the main objective of corporate social responsibility mentality is to enhance the accountability of organization. According to Solomon (2007: 14), corporate management is defined as a system aspiring to demonstrate accountability to both internal and external groups.

The accountability concept defined in the Corporate Management Principles of the Capital Markets Board of Turkey (2003) states the accountability obligation of board members to the corporate legal entity in principle and consequently to the shareholders (www.spk.gov.tr). According to Corporate Management Principles of OECD (2004), administrative boards of enterprises must clarify the line between responsibility and accountability in order to obtain integration between reporting and monitoring systems. Nevertheless, monitoring inner structures of enterprises on a continuous basis serves for affirmation of organizations' accountabilities (www.oecd.org/dataoecd/20/60/40823806.pdf).

A report with a title "Investor Demand for Environmental, Social and Governance Disclosures" has been published by the Professional Accountants in Business Committee (PAIB) included in IFAC on February 6th, 2012. According to this report, the Committee makes five suggestions to enable the accountants working for enterprises to have the environmental, social and governance disclosures which they need for enlightening the public. One of these suggestions is to maintain an actual, continuous, and comparable reporting and transparency and provide useful information in order to achieve the said public enlightening level (www.ifac.org). Accordingly, corporate accountability mentalities of enterprises are accepted to be directly affecting the development of their continuous reporting and monitoring mentalities. The explanations constituting the origin of the researches are also made.

RESEARCH METHODOLOGY

Regulatory authorities state that internet could be an important means for enterprises to develop their publicity expressions in reply to accounting scandal in the past (Kelton and Yang, 2008). Due to increasing impacts of technological developments in addition to the abovementioned circumstance, announcing and publishing information through internet are getting easier. But, this cannot create the environment entirely proper for developing continuous auditing. In consequence, national-level continuous auditing implementations are impossible be encountered. Nevertheless, it is possible to conduct auditing activities through internet which remains in between modern auditing and traditional auditing. The basic objective of this research is to determine the potential impacts of corporate accountability mentalities of enterprises on continuous auditing. The evaluations regarding the design and findings of the research within this context are as follows.

Predecessor Researches and Development of the Research Question

The primary research benefited from in the development of the basic question of the research is the study made by Kelton and Yang in 2004. The authors investigated the relations between the internet-based financial reporting and corporate management within 305 enterprises operating within the scope of the capital market in USA and employing internet-based financial reporting systems. According to the authors, corporate management mentalities of enterprises are directly affecting their attitude of making internet-based financial reporting. At this point, the authors have developed a corporate management index to demonstrate the relationship in between. The presentation format, voluntary attitude of publicity, and corporate management mentality of each enterprise are included in this index. As for measuring their corporate management mentalities, stakeholders' rights, ownership structures, and administrative board structures are utilized.

Bonson and Escobar performed corporate publicity analyses on 266 enterprises in 13 countries within the scope of their work in 2006 and examined the relation in between internet-based financial reporting. According to the outcome of the study, size of the auditing company and status of being active in finance industry or not influence the financial reporting levels.

In their study of 2008, Kelton and Yang aimed at measuring the relationship between the corporate management mechanisms and publicities of 284 enterprises being traded at the capital market in USA on a basis of internet-based financial reporting. They used stakeholder rights, ownership structures, constitution of committees and auditing committee characteristics for measuring corporate management mentalities within the index they prepared. According to the outcomes of this study, weaker stakeholder rights, low-level ownership structures, existence of administrators (CEO) with high incidence of independence, and more careful auditing committees within enterprises enhance the levels of internet-based financial reporting in such enterprises; consequently increased their publicity. Nevertheless, the bigger size of auditing companies to which auditors appertain, the higher level of financial reporting through internet.

Damosa and Lourenço conducted a research in 2011 on determinants of the internet-based financial reporting levels of 350 enterprises being active in London Capital Market. According to the outcomes of the study, a positive relationship has been revealed in between the relations of enterprises with the environment, the sizes and profitability of the enterprises,

the size of the auditing company to which auditors appertain and the internet-based financial reporting levels of such enterprises.

As it can be seen by means of the abovementioned studies, the internet-based financial reporting levels of enterprises are frequently tried to be interrelated to notions such as corporate management and publicity by means of literature researches. Nonetheless, based on the examinations on studies grounded on the continuous auditing fact, information technology utilization levels of auditor and the firms they audit are searched mostly, thus whether an environment suitable for materializing continuous development or not has been determined. For example, Searcy et al (2003) applied a survey about continuous auditing on 217 auditors within the four biggest auditing firms. According to the outcomes of this study, 65% of the survey participants expressed that continuous auditing would contribute to the fulfillment of the responsibility of an auditor; while participating auditors defend that, this type of auditing is impossible to be implemented entirely in spite of the fact that they have numerous benefits. They justify this fact by two reasons. While the first one of these is the low utilization levels of real-time accounting systems, the second one is the lack of training within auditors supposed to implement continuous auditing.

In another study by Janvrin et al in 2008, the authors investigated the utilization of internet technology based auditing and the perceived importance of this type of auditing among 109 independent auditors working for both Big 4 and for other auditing companies in USA. In accordance with the findings of the study, the largeness of the auditing firms for which auditors work are the basic determinant for improvement of computer-aided auditing utilization as well as creating a perception towards this type of auditing.

Again according to the 2009 research report of KPMG on Continuous Auditing / Continuous Monitoring, The continuous auditing is a process of collecting auditing evidences on a continuous basis or over a certain frequency through information technologies, processes and transactions in a certain period of time by persons who are able to provide assurance such as an internal auditor or an independent auditor. According to this definition, continuous auditing assists the internal auditing unit of an enterprise in revealing the failures within their internal control systems on a real-time basis, thus develops the internal auditing profile within an organization. In conjunction with this report, KPMG conducted a research whether some institutions in England within various industries use continuous auditing and continuous monitoring facts or not. According to the outcomes of this research, only 7% of the enterprises use continuous auditing, while 13% are conducting a pilot implementation in the enterprise for continuous auditing.

As can be seen in the studies, continuous auditing has not become an actively practiced auditing type yet. There are two basic reasons for this. The first one of these reasons is not utilizing a real-time accounting system enabling to materialize continuous development yet. The second one is the auditing companies' lack of adequate capability to properly materialize continuous auditing due to limited internet-based auditing. In line with these basic reasons, the studies are based on an opinion that accountability mentalities of enterprises could enhance their tendency of internet-based financial reporting. Because, the corporate accountability mentality of an enterprise affects its publicity or transparency in an increasing manner (Bushman and Smith, 2003). The internet-based reporting level of an enterprise directly affects the preparation of an environment required for continuous auditing. Accordingly, the main objective of the study is to determine the publication frequencies of

various variables on an internet basis designating the corporate accountability of enterprises and hence to discuss the potential impacts of internet-based financial reporting levels of enterprises on the development of continuous auditing. In line with this basic objective, a corporate accountability index has been developed on the first 100 enterprise active in ISE and respective data has been collected. The preparations of the enterprises for the continuous auditing fact by means of the frequencies of the variables determined in accordance with their corporate accountability mentalities. The variables used within the index of corporate accountability index used in the research are summarized in the following table:

TABLE 1 INSERT HERE

RESEARCH FINDINGS AND DISCUSSION

The findings regarding the enterprises retrieved from the determined corporate accountability index variables are as follows.

Investor Relations

According to the corporate accountability index variables developed with respect to the basic objective of the study, the first finding of the study is obtained from the examination of the home pages of the enterprises included in ISE 100 index whether they contain a direct link to investor relations pages or not. Accordingly, 99% of the enterprises covered by the study have direct links on their home pages to their investor relations pages. In conjunction with this question, the frequency of announcement to investors published in the announcement pages has been examined and it has been understood that 81% of the enterprises are currently most up-to-date announcements from their web pages to their investors and potential information users.

Annual Activity Reports

The second variable is the existence level of annual activity reports in the web pages of the enterprises. In accordance with the findings of the study, all of the enterprises are publishing their annual activity reports. All of the activity reports are downloadable and in pdf, excel and word formats. Furthermore, when retrospective ability of the annual activity reports, it has been revealed that 96% of the enterprises are publishing their annual activity reports of the last 5 years. Similar to activity reports, publishing frequency of financial statements are also measured. According to the outcomes, all of the enterprises are publishing their annual financial reports in their web pages and these statements are downloadable. Also, it is possible to find the financial statements of the last 5 years or earlier for 99% of the enterprises. Based on the existence of the financial ratios in web pages in conjunction with financial reports, 84% of the enterprises are publishing information regarding their financial ratios and two of the enterprises are including their financial ratios within their activity reports. The situation regarding publishing financial calendars of the enterprises are also checked and 51% of the enterprises are turned to be publishing their financial calendars in their web pages. The level of publishing information regarding equity and publishing analyst reports in their web pages have been examined again in conjunction with these findings. 36% of the enterprises are publishing information regarding their equities, while 18% are publishing independent auditing reports regarding their equity values.

Auditing Reports

Subsequent to evaluating activities and financial statements of enterprises, it has been investigated whether the enterprises present their auditing reports or not. The auditing reports

of 97% of the enterprises are published in the web pages. The independent auditing reports and financial statement footnotes of the last 5 years of 71% of the enterprises are published in the web pages, while the independent auditing reports of the rest are presented within the activity reports. Furthermore, the auditing companies that the enterprises used for performing audits are also reached and the following table is obtained:

TABLE 2 INSERT HERE

As can be seen on the table, the biggest auditing companies of the world in 2011, namely Deloitte, PwC, KPMG, Ernst & Young (Big 4) are the auditing companies preferred by the companies included in ISE 100 index as well on the national basis. So, there is no differentiating national outcome from the world.

Corporate Management

As is known, the Corporate Management Principles has been published by the Capital Markets Board of Turkey in 2003. Since then, although these principles have not been made obligatory for the companies that the shares of which are traded in ISE, the Board has worked through some activities so as to promote the implementation of these principles and create a public awareness thereof. In order to embody the principles to be followed by the partnerships subject to the capital market legislation and the principles intended for developing corporate managerial implementation of these partnerships, “Serial: IV, No: 41 Communiqué on the Principles to be Followed by Joint Stock Companies subject to the Capital Market Law”, which is also containing some principles of corporate management, have been published in the 26821st issue of the Official Gazette dated 10.03.2008 in accordance with all of the abovementioned considerations (www.spk.gov.tr). Accordingly, all of the enterprises traded in ISE and included in the 100 index are publishing their compliance report to the corporate managerial principles in their web pages. Furthermore, 91% of the enterprises are publishing their compliance report to the corporate managerial principles of the last 3 years in their web pages.

Moreover, the web pages of the enterprises are also investigated whether they include their internal auditing units and auditing committees and the following outcomes has been obtained. 86% of the enterprises are making explanations regarding their internal auditing units and auditing committees. In addition, 25% of the enterprises are providing detailed explanations regarding the external companies by which they have internal audits performed and the processes thereof. Again 77% of the enterprises are announcing the persons within the context of insider trading through their web pages on a regular basis.

Social Responsibility Projects and Informing Policy

The web pages of the enterprises have been investigated whether they contain their activities intended for their environmental and social responsibility and it has been observed that 97% of the enterprises are publishing explanations regarding their social responsibility projects. The web pages of these enterprises have also been investigated whether containing explanations regarding their continuous forming policies and 89% of these enterprises have been observed to have continuous informing forms and contact information in their web pages.

Internal Control Systems

Finally, the web pages of the enterprises have been investigated whether containing information regarding their internal control systems and risk managements. In accordance with the findings, 63% of the enterprises include explanations about their internal control system, while 41% include explanations about their risk management systems. Furthermore, 4% of the enterprises make web-based reporting in their web pages and include explanations about their integral management systems.

CONCLUSION

The potential impacts of various variables identifying accountability mentalities of enterprises on the development of continuous auditing fact are tried to be determined in this study, based on the web pages and internet-based reporting levels of enterprises. In line with this objective, a corporate accountability index has been developed on the first 100 enterprises traded in ISE and the relevant data has been collected. The internet-based reporting levels of the enterprises have been determined by means of their corporate accountability variables based on the obtained data. It has been determined based on the research findings that, almost all of the enterprises are including their activity reports, financial reports and independent auditing reports in their web pages. In addition, almost all of the enterprises are also publishing their compliance reports to the corporate managerial principles and are including internal auditing and auditing committee information in their web pages in accordance with the relevant communiqué of Capital Markets Board of Turkey. However, very little data is available in the web pages of the enterprises indicating that they are making web-based reporting. Only four enterprises are making web-based reporting and publishing online data regarding their internal control systems under the name of integral managerial systems.

It can be argued that, most of the enterprises included in ISE 100 index are ready for web-based reporting activities in terms of applicability of the continuous auditing fact. Therefore, it would be beneficial to make an investigation on the ways of operation of the companies by which the enterprises have audits performed in terms of testing the validity of this determination. Because, actual or real-time reporting made only by the enterprises is not sufficient. Auditors should also be able to utilize auditing means based on automation. So, an independent auditor has been interviewed, who is working in the Istanbul office of the Deloitte Touche Tohmatsu auditing company which is the company auditing the maximum amount of companies included in ISE 100 index on the national level. According to the information obtained from the independent auditor, in case of a web-based reporting system, auditors obtain usernames and passwords to access accounting systems of customers, and hence required data are transferred to the computer-aided system of auditing company in a paperless working environment. Auditing process is followed and auditing reports regarding enterprise are web-based reported by using transferred data, namely auditing evidences. This system implies that the auditing firm performs computer-aided auditing. However, this auditing type is not properly complying with the continuous auditing fact. Because, reports are generated at the end of periods or at the end of quarters as well and reports audited instantly by real-time accounting data are impossible to be accomplished. So, this would be a starting point for the future researches and the next step should be investigating auditing firms' ways of work and whether auditors are ready for continuous auditing fact or not.

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Table 1 - Corporate Accountability Index Variables

| <i>Defined Variables</i> | <i>Measurements of Variables</i> |
|------------------------------------|--|
| <i>Investor Relations</i> | In the web pages of the enterprises; <ul style="list-style-type: none"> • Is the investor relations section located in the home page? |
| <i>Annual Activity Reports</i> | <ul style="list-style-type: none"> • Are there annual activity reports? • Are the annual activity reports of the last 5 years available? |
| <i>Annual Financial Statements</i> | <ul style="list-style-type: none"> • Are there annual financial statements? • Are the annual financial statements of the last 5 years available? • Is there information regarding financial ratios? • Are there any analyst reports included? |
| <i>Auditing Reports</i> | <ul style="list-style-type: none"> • Are there annual independent auditing reports? • Are there annual independent auditing reports of the last 5 years available? • Is it possible to access information about the companies by which the enterprise has auditing performed? • Which companies are used by the enterprise to have auditing performed? |
| <i>Corporate Management</i> | <ul style="list-style-type: none"> • Is the report for adaptation to corporate management principles included? • Is it possible to access information regarding internal auditing units and the auditing committees? |

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| <i>Financial Calendars</i> | <ul style="list-style-type: none"> • Is it possible to access financial calendars? |
| <i>Social Responsibility Projects</i> | <ul style="list-style-type: none"> • Is the information regarding social responsibility projects available? |
| <i>Informing Policy</i> | <ul style="list-style-type: none"> • Is the continuous informing form is included? • Is there any explanations related to informing policies? |
| <i>Internal Control Systems</i> | <ul style="list-style-type: none"> • Is it possible to access information regarding internal control systems? • Is it possible to access information regarding risk managements? |

Table 2 - Auditing Companies by which Enterprises have Audits Performed

| <i>Auditing Firms</i> | <i>Number</i> | <i>Percentage (%)</i> |
|--------------------------------|---------------|-----------------------|
| Deloitte Touche Tohmatsu | 26 | 0,26 |
| KPMG | 19 | 0,19 |
| Ernst & Young | 16 | 0,16 |
| PricewaterhouseCoopers (PwC) | 16 | 0,16 |
| Grant Thornton International | 6 | 0,06 |
| Firm of Kreston International | 3 | 0,03 |
| Inaa Group – Consulta | 3 | 0,03 |
| Pür Bağımsız Denetim | 3 | 0,03 |
| Denge Bağımsız Denetim Şirketi | 2 | 0,02 |
| Euraudit International | 2 | 0,02 |
| BDO International | 1 | 0,01 |
| Crowe Horwath International | 1 | 0,01 |
| Enterprise Worldwide | 1 | 0,01 |
| Nexia International | 1 | 0,01 |
| Total | 100 | 100,00 |

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