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The Relation between Agility Audit, Risk and Compliance for Financial Performance in UAE Public Companies: An Empirical Study

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Abstract:
The current study has concentrated only on listed government-owned companies in UAE because of the recent corporate frauds and imprisonment and punishment by the courts of UAE. The sample of the study depended upon 60 listed government-owned companies during the period from 2018 to 2022. The study concluded that (Agility audit imposes considerable influence over financial Performance, Risk management has a prominent impact on financial performance and Compliance with accounting standards has a significant impact on financial performance. This result is like some previous studies that were conducted in different contexts. On the other hand, IFRS compliance is strongly connected with FP according to previous studies.
Keywords: Agility Audit - Risk - Compliance - Financial Performance

1. Research Idea

According to the international standard on auditing (ISA) 260 “communication with those charged with governance” provides assurance of effective communication between auditors and those charged with the company governance. Therefore, the board of directors and audit committee need to know about IFRS applications to contribute to higher audit quality (Shbeilat, 2019)

According to earlier surveys, some businesses claim to be in compliance with accounting standards but have not actually done so. Therefore, the actual degree of conformity among each applicable accounting standard must be documented. By doing this, authorities can quickly spot locations with low compliance and respond accordingly (Suarez, Schellart, & Shucksmith,

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2019). Furthermore, there is also a need for agility in the compliance because of lack of material over substance issue. Hence, the current study aims to offer the notion of agility while adhering to the accounting standards' disclosure requirements, this may close the gap.

To carry out their normal responsibilities of making sure financial reports have complete necessary knowledge useful to all stakeholders, standard setters must be able to point out the attributes determining compliance with obligatory disclosure. Most people feel that corporate governance practises and a company's financial situation effect the transparency of a company and how well it complies with established rules (Rosa, Fabio, & Bernini, 2019). Considering this, this study examined the relationship between corporate governance and firm financial results and agility.

Finally, risk is a key consideration for all corporate governance literature. Previous research has obvious implications for risk management to improve productivity (Kalu, Shieler, & Amu, 2018). There is a research gap in financial performance due to distinct features of GCC, which restrict application of the end-results of established countries to the developing countries. Various research mostly on alliance among distinct sorts of risk is conducted on developed countries, while developing economies grabbed less attention.

Hence from the above-mentioned discussion, it remains apparent that literature over audit, risk, as well as compliance has certain controversies and is not conclusive. Additionally, the main reason behind corporate collapse and performance related issues is because the strategies regarding audit, risk, and compliance are made considering the issues that have been faced in the past. But now the things are changing on regular basis and there is a need to change audit, corporate governance, risk, and compliance on regular basis and timely basis. Therefore, the concept of agility needs to be introduced in audit, risk, and compliance. Hence, central purpose of the research is identifying role of agility in audit, and compliance on financial performance in listed government-owned companies of UAE.

The idea of the research is to find the relationship between audit agility, risk, compliance, and the financial performance of listed government-owned companies in UAE.

So, the scope of the current study is that it will concentrate only on listed government-owned companies in UAE because of the recent corporate frauds and imprisonment and punishment by the courts of UAE. The sample of the study depends upon 60 listed government-owned companies during the period from 2018 to 2022.

1.1 Research Objectives

The study has four objectives which are as following:

- Identifying the impact of audit agility on financial performance of listed government-owned companies in UAE.
- Analyzing the impact of risk on financial performance of listed government-owned companies in UAE.

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- Determining the impact of standards' compliance on financial performance of listed government-owned companies in UAE.

1.2 Research Questions

To meet the research objectives, the study has the following research questions:

- What is the impact of audit agility on the financial performance of listed government-owned companies in UAE?
- Does the risk companies encounter has an impact on financial performance of listed government-owned companies in UAE.
- Do standards' compliance have an impact on financial performance of listed government-owned companies in UAE?

2. Theoretical Framework and prior studies

2.1 Agility Audit and Financial Performance

Agile Internal Audit is the mentality that an Internal Audit unit would adopt to concentrate on stakeholder needs, speed up audit cycles, generate less documentation, drive timely insights, and decrease wasted labor. Internal auditors and stakeholders are prompted by agile to decide up front what value will be provided by an audit or project. Agile also prioritizes audits and projects based on their significance, urgency, and readiness for completion. (Joshi, 2021)

With the aid of a literature analysis, this article analyses agile internal auditing from a retrospective and prospective perspective and offers some insights into the idea, history, need, methodology, characteristics, implementation process, benefits, and obstacles. The essay focuses primarily on internal auditors' usage of Agile methodology to deliver quick information.

The agile methodology is especially well suited for complicated audits that call for a concentrated team and seasoned auditors to adhere to shorter audit cycles and speedier service delivery to its clients. Given that the size and organizational culture of any company will have a significant impact on the agility of the internal audit department, The article's conclusion is that academics, researchers, and practitioners need to conduct empirical, theoretical, and practical investigations on this developing approach's applications, difficulties, successes, and failures to provide deeper insights into it. Additionally, it is necessary to undertake agile internal audit case studies to develop hypotheses based on cross-case analysis. Additionally, it makes some recommendations for potential future lines of inquiry for this new field.

While (Newmark, Dickey, & Wilcox, 2018) find that Technology breakthroughs like data analytics and artificial intelligence are currently undergoing a fundamental change in the audit environment. While disruptive factors like mergers, new IT systems, or last-minute changes in control dependence have always been a possibility for an audit, technological advancements are automating many labor-intensive activities that have historically given traditional audits a sense of certainty.

Because of this perceived dependability, large design up front (BDUF) planning has traditionally been the main project management method used in audits. When unforeseen changes arise,

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especially in the later stages of the audit, the level of clarity in BDUF audit plans gives only a small amount of flexibility. Furthermore, the structure of an audit engagement will probably need to change as the audit process changes because of technological advancement. The audit process may use more agility in the present and the future, and Scrum is especially discussed in this paper as a potential method of doing so.

Agile Internal Audit is the mentality that an Internal Audit unit would adopt to concentrate on stakeholder needs, speed up audit cycles, generate less documentation, drive timely insights, and decrease wasted labor. Internal auditors and stakeholders are prompted by agile to decide up front what value will be provided by an audit or project. Agile also prioritizes audits and projects based on their significance, urgency, and readiness for completion. Finally, reporting focuses on sharing ideas rather than on recording the activity.

The term "AGILE" is used to refer to a set of guidelines and practices that were developed initially for use in software development and made well-known by the Agile Manifesto for Software Development in 2001. This featured the following four values and twelve value-oriented principles. While all the parts are necessary, the values presented here acknowledge that the ones in bold should take precedence over those in italics.

- People and interactions over procedures and equipment.
- Utilizing functional software over thorough documentation.
- Customer involvement during contract negotiations.
- Adjusting to change instead of sticking to a plan.

2..2 Risk Management and Financial Performance

Risk management can be described in a variety of ways. Risk management is a process that aims to reduce, eliminate, and manage risks while maximising benefits and preventing loss from speculating risks (Annamalah, Raman, Marthandan, & Logeswaran, 2018). The objectives of risk management are to maximise the likelihood of success and minimise the likelihood of potential future losses. A risk that is troublesome might affect a company's costs, timeline, systems, and productivity.

Management, directors, and staff members are involved in the risk management process used to set possibilities and solutions. Its goals are to identify potential events that could have an impact on the organisation and to manage risk in accordance with the firm's risk appetite to give reasonable assurance about achievement of goals (Force, 2018). Risk management is a process for controlling potential risks by identifying, evaluating, and resolving them. This process can help to lessen the detrimental impact and new possibilities that the discovery may facilitate in minimising the likelihood of risk occurrence and negative effect after it does.

(Syrová & Špička, 2023) This study addresses the scarcity of empirical data on the relationship between enterprise risk management (ERM) and small- and medium-sized business (SMEs) financial performance. To investigate new mediators in the relationship between ERM and SME financial performance, structural equation modeling is applied. The findings demonstrate that

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organizational culture (mission dimension) and strategic risk management effectiveness serve as complete and beneficial mediators between enterprise risk management and financial performance. These research findings underline the fact that, in the absence of a developed organizational culture and performance monitoring of strategic risk management, the deployment of ERM in a company does not, by itself, produce the anticipated results. These findings are especially important for SMEs that have " pretend ERM" without the operational and strategic components. ERM also aids in reversing the detrimental impact that foreign investment has on the financial performance of SMEs.

Based on a survey of 796 systematically retrieved papers, (Ullah, et al., 2021) developed a multilayered technology-organization-environment (TOE-based) risk management strategy for smart and sustainable city administration. 56 risks in total—17 technological, 11 organizational, and 28 externals are identified and categorized into TOE categories. The TOE layers conduct the continuous risk-management process of recognition, assessment, analysis, monitoring, and reaction planning at both the internal management levels and the external layer levels. The local government can use these dangers as an opportunity to invest in developing critical and effective answers that will increase public safety, protection, and confidentiality.

In a setting where the existence and makeup of risk management committees are wholly voluntary, (Jia & E.Bradbury, 2020) investigated the association between best practice risk management committee and business performance. The sample includes 368 listed Australian companies from 2007 to 2014. Additionally, research demonstrates that risk management committee human capital plays a significant role in boosting business performance as one of the best practice risk management committee characteristics.

(Munir, Jajja, Chatha, & Farooq, 2020) recognized the importance of risk management and interdisciplinary practices in supply chains to address the complex nature and unpredictability faced; however, risk management and explores the connection among supply chain integration (SCI) and supply chain risk management (SCRM) to enhance operational performance (IMSS VI).

2.3 Compliance with Accounting Standards and Financial Performance

IAS/IFRS compliance measures how well a reporting unit complies with the many requirements outlined in the IAS/IFRS published by IASC/IASB. Along with several different accounting standards, IFRS outlined a guideline on the minimal amount of pertinent and reliable information that a company must include in its financial reports. Institutional isomorphisms that are coercive, normative, and imitational are some of the main drivers behind national adoption of IFRS. This is since companies who violate disclosure requirements omit some important information that may have an impact on the functioning of the financial markets. The financial report may be prejudiced and deceptive if standards are intentionally broken. Conversely, some businesses who freely or involuntarily take This approach as a reporting standard make claims of compliance while in fact falling short of the requirements.

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the study (Sutaryo, Sahari, Jakpar, & Balia, 2023) examine, while controlling for financial and local government characteristics, the impact of the political and internal audit functions of local governments in Indonesia on the adherence to government accrual-based accounting standards. With panel data regression and a robustness test using logistic regression, our study is carried out for the period 2015–2018. Our findings demonstrate the importance of internal audit function capacity, maturity, experience, and size in enhancing accrual-based accounting compliance, as well as the beneficial influences of legislative coalition, gender, and size. The robustness test demonstrates that the effects hold true for many factors. This study has implications for local governments in Indonesia and the Financial and Development Supervisory Agency to enhance the competency, maturity, and human resource availability of local government internal audit function through various supportive policies.

According to (Wu, Monfort, Jin, & Shen, 2022) research, family business compliance measures for sustainability responsibility entail significant response and impression control. In this study, a sample of 2977 Chinese companies is used to assess the compliance practises of family businesses. According to the findings, family firms employ combined impression management and significant response. Additionally, the employment of impression management is positively moderated by public pressure. What's more intriguing is that business-government interactions adversely correlate the usage of substantial response and favorably correlate the application of impression management.

(Hu, Yan, Casey, & Wu, 2021) conducted a thorough investigation on how businesses might support staff members' complete adherence to these protocols. This study used an experimental research methodology and archived data from a small-to-medium-sized restaurant in China along with data from multiple levels of interviews. Additionally, data show that a key psychological procedure (four step) that is supported by both management safety practises, and organisational crisis management techniques is involved in employees' deep compliance with security measures.

While (Ismail, 2021) used unprocessed data that was gathered using structured questionnaires sent via email to examine the implications of audited satisfaction on compliance audit and business image in Malaysia. Descriptive statistics and correlation analysis were both used to analyse the given data. According to the report's results, compliance and corporate image are significantly correlated with auditee satisfaction.

3. The Empirical Study

3.1 Measurement of Variables

The method by which the variables used in research are measured is referred to as variable measurement. The methods employed in earlier investigations are used to measure the research variables in our study.

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3.1.1 Dependent Variable

The dependent variable in this study is company performance, and two metrics—ROA and Tobin's Q ratio—were used as stand-ins for accounting performance. The classic accounting metric of return on assets (ROA) has been extensively employed in earlier research. ROA is utilised to indicate how effectively the board of director uses its assets to increase shareholders value. Net income is multiplied by the organization's net capital to compute ROA. The values will be calculated from the annual reports published by the company.

Tobin's Q ratio was chosen as the market performance metric as it offers a rough approximation of the worth of intellectual capital such as market dominance, reputation, management excellence, and expansion potential. As a result, it is frequently employed in numerous variations as a metric of financial performance in empirical studies of corporate governance.

3.1.2 Independent Variable

3.1.2.1 Agility audit

according to (Joshi, 2021) this variable measured if provides ways of enhancing flexibility in audit planning, execution, and reporting.

3.1.2.1 Risk Management

Risk management is the word used in the industry to describe a practise where certain lenders shift the terms of credit from the default terms—that is, the conditions and rates provided to individuals that missed payments—to the normal terms. The formula for calculating the DR ratio is Dr Ratio=Bad Debts/Total Debts. It is comparable to research by (Musyoki & Kadubo, 2012).

3.1.2.3 Level of Compliance with Accounting Standards

Utilizing a weighted disclosure index, the compliance degree with accounting standard's disclosure requirements for RPTs was determined. To get around the problems with unweighted disclosure index, it makes sense to choose weighted disclosure index. Using the disclosure index, (Al-Sartawi, Alrawahi, & Sanad, 2016) was used and altered for this research. This method awarded absent, partial, full, and outstanding levels of compliance with 0, 1, 2, and 3 points, respectively. RPTs standard shows insufficient compliance, whereas absent compliance indicates no compliance. Full compliance denotes complete adherence to the standard's disclosure criteria. Finally, good compliance is when the reporting companies go above and above the minimum necessary to comply with international standards, disclosing additional information. The final accounts published in the annual reports will confirm the level of compliance with accounting standards.

3.2 Sample Selection Procedure

The UAE Presidency issued the UAE Commercial Companies Law 2021, which actual entry into force from January 2022, with the goal of contributing to the development of the country's business environment and capabilities, as well as improving the country's international competitive economic position, by enacting legislation regulating companies in accordance with global changes. especially those related to organizing governance rules, protecting the rights of

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partners and shareholders, supporting the flow of foreign investment, and promoting corporate social responsibility.

3.3 Models of the study

Within the framework of the division of the first statistical hypothesis of the study, the researcher can re-divide the test model of the first statistical hypothesis of the study, and in addition to that, this division will avoid the problem of double linearity (if any). This is as follows:

- **Model (1):** The first hypothesis of the study predicts an analysis of the impact of agility audit on the company's financial performance. The researcher can formulate the statistical model to test the third hypothesis as follows:

$$FP = \beta0 + \beta1 \text{ flex audit plan}_{it} + \beta2 \text{ flex audit execution}_{it} + \beta3 \text{ flex audit reporting}_{it} + \beta4 LEV_{it} + \beta5 ROE_{it} + \beta6 Loss_{it} + \beta7 Growth_{it} + \varepsilon_{it} \quad (1)$$

- **Model (2):** The second hypothesis of the study predicts an analysis of the impact of risks on the company's financial performance. The researcher can formulate the statistical model to test hypothesis as follows:

$$FP = \beta0 + \beta1 Dr_{it} + \beta2 LEV_{it} + \beta3 ROE_{it} + \beta4 Loss_{it} + \beta5 Growth_{it} + \varepsilon_{it} \quad (2)$$

- **Model (3):** The six hypothesis of the study predicts an analysis of the impact of Compliance with Accounting Standards on the company's financial performance. The researcher can formulate the statistical model to test the third hypothesis as follows**:**

$$FP = \beta0 + \beta1 SC_{it} + \beta2 LEV_{it} + \beta3 ROE_{it} + \beta4 Loss_{it} + \beta5 Growth_{it} + \varepsilon_{it} \quad (3)$$

3.4 Testing Hypotheses

3.4.1 Testing the relationship between the Agility audit and the financial performance indicators (H4):

The first hypothesis predicts the relationship between the Agility audit and the financial performance indicators using regression model No.1, and the results revealed the table No(3-1) as follow:

(H1): Model (1)

$$FP = \beta0 + \beta1 \text{ flex audit plan}_{it} + \beta2 \text{ flex audit execution}_{it} + \beta3 \text{ flex audit reporting}_{it} + \beta4 LEV_{it} + \beta5 ROE_{it} + \beta6 Loss_{it} + \beta7 Growth_{it} + \varepsilon_{it} \quad (1)$$

Table No. (3-1): Results of relationship between the Agility audit and the financial performance indicators

Panel A: ROA	Panel B: Tobins' Q

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	Coef.	T-Stat.	Sig.	VIF	Coef.	T-Stat.	Sig.	VIF
Cons.	2.140	3.359	0.000		2.914	31.765	0.000	
flex audit plan	3.287	2.435	0.000	1.542	3.294	3.436	0.000	1.542
flex audit execution	3.636	2.621	0.000	1.593	2.884	2.521	0.000	1.593
flex audit reporting	2.549	2.781	0.000	1.095	2.723	4.287	0.000	1.095
LnTA	0.315	1.241	0.125	1.019	0.050	0.715	0.275	1.019
LEV	0.111	0.782	0.287	1.031	0.087	0.703	0.486	1.031
ROE	-0.055	-1.115	0.236	1.019	0.025	0.369	0.781	1.019
LOSS	1.412	1.251	0.175	1.024	-0.037	-0.988	0.524	1.024
GROWTH	-0.038	-0.287	0.681	1.050	0.125	0.860	0.691	1.050
Firm Fixed Effects	***Included***				***Included***			
R2	***18.69%***				***42.21%***			
F-Value	***8.137***				***10.255***			
Model Sig.	***0.000***				***0.000***			
N	***300***				***300***			

The above results indicate to the significance of the model in interpreting the changes in the dependent variable financial performance indicators (ROA & Tobins'Q) where (F = 8.137 & 10.255) with significance (P-Value = 0.000 & 0.000) which is less than 0.05. Furthermore, the VIF for all variables was less than 10 which is mean there is no multicollinerity.

Moreover, the Adjusted R Square is equal 18.69% & 42.21% consequently for ROA and Tobins'Q indicators which is mean that Agility audit and the other control variables explain 18.69% and 42.21% from the change of the financial performance indicators (ROA & Tobins'Q). This result motivates further research in exploring more variables that may effect on the dependent variable financial performance indicators (ROA & Tobins'Q).

Regarding the independent variables of Agility audit, there are significant effects of Agility audit on the ROA indicator as one of the financial performance indicators (where T-Stat. = 2.435, 2.621, 2.781 > 2; Sig. = 0.000, 0.000, 0.000 < 0.05 Consequently). Additionally, there are significant positive effects of Agility audit on the Tobins'Q as one of the financial performance indicators (where T-Stat. = 3.436, 2.521, 4.287 > 2; Sig. = 0.000, 0.000, 0.000 < 0.05).

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Consequently, the researcher can fully accept the first hypothesis in the alternative form as follow: **H1: Agility audit imposes considerable influence over financial Performance**.

3.4.2 Testing the relationship between the Risk management and the financial performance indicators (H2):

The second hypothesis predicts the relationship between the Risk management and the financial performance indicators using regression model No.2, and the results revealed the table No.(3-2) as follow:

(H2): Model (2)

$$FP = \beta 0 + \beta 1\ Dr_{it} + \beta 2\ LEV_{it} + \beta 3\ ROE_{it} + \beta 4\ Loss_{it} + \beta 5\ Growth_{it} + \varepsilon_{it} \quad (2)$$

Table No. (3-2): Results of relationship between the Risk management and the financial performance indicators

	Panel A: ROA				Panel B: Tobins' Q			
	Coef.	T-Stat.	Sig.	VIF	Coef.	T-Stat.	Sig.	VIF
Cons.	2.756	5.688	0.000		0.992	27.944	0.000	
Dr	2.210	2.815	0.000	1.012	0.002	2.601	0.010	1.012
LnTA	0.215	1.611	0.125	1.020	0.001	0.827	0.409	1.020
LEV	0.028	0.698	0.522	1.026	0.000	0.442	0.659	1.026
ROE	-0.067	-1.125	0.267	1.017	0.000	-0.337	0.736	1.017
LOSS	1.455	1.486	0.134	1.020	-0.005	-0.437	0.663	1.020
GROWTH	-0.018	-0.166	0.822	1.013	0.002	1.516	0.130	1.013
Firm Fixed Effects	***Included***				***Included***			
R2	***16.87%***				***19%***			
F-Value	***5.298***				***5.859***			
Model Sig.	***0.003***				***0.000***			
N	***300***				***300***			

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The above results indicate to the significance of the model in interpreting the changes in the dependent variable financial performance indicators (ROA & Tobins'Q) where (F = 5.298 & 5.859) with significance (P-Value = 0.003 & 0.000) which is less than 0.05. Furthermore, the VIF for all variables was less than 10 which is mean there is no multicollinerity.

Moreover, the Adjusted R Square is equal 16.87% & 19% consequently for ROA and Tobins'Q indicators which is mean that Risk management and the other control variables explain 16.87% and 19% from the change of the financial performance indicators (ROA & Tobins'Q). This result motivates further research in exploring more variables that may affect on the dependent variable financial performance indicators (ROA & Tobins'Q).

Regarding the independent variables of Risk management, there is significant effect of Risk management on the ROA indicator as one of the financial performance indicators (where T-Stat. = 2.815 > 2; Sig. = 0.000 < 0.05). Additionally, there is significant positive effect of Risk management on the Tobins'Q as one of the financial performance indicators (where T-Stat. = 2.601 > 2; Sig. = 0.010 < 0.05).

Moreover, it is obvious there are no significant effects of the control variables on the financial performance indicators. Consequently, the researcher can fully accept the second hypothesis in the alternative form as follow: **H2: Risk management has a prominent impact over financial performance.**

3.4.3 Testing the relationship between the Compliance with accounting standards and the financial performance indicators (H3):

The third hypothesis predicts the relationship between the Compliance with accounting standards and the financial performance indicators using regression model No.3, and the results revealed the table No.(3-3) as follow:

Model (3):

$$FP = \beta 0 + \beta 1\ SC_{it} + \beta 2\ LEV_{it} + \beta 3\ ROE_{it} + \beta 4\ Loss_{it} + \beta 5\ Growth_{it} + \varepsilon_{it} \qquad (3)$$

Table No. (3-3): Results of relationship between the Compliance with accounting standards and the financial performance indicators

	Panel A: ROA				Panel B: Tobins' Q			
	Coef.	T-Stat.	Sig.	VIF	Coef.	T-Stat.	Sig.	VIF
Cons.	17.421	6.045	0.000		1.012	29.438	0.000	
SC	0.357	2.451	0.018	1.012	0.316	2.647	0.016	1.012

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LnTA	0.318	1.627	0.125	1.017	0.005	0.856	0.287	1.017
LEV	0.025	0.619	0.671	1.026	0.007	0.391	0.655	1.026
ROE	-0.063	-1.125	0.282	1.016	-0.018	-0.236	0.921	1.016
LOSS	1.421	1.433	0.169	1.017	-0.007	-0.542	0.486	1.017
GROWTH	-0.018	-0.167	0.911	1.020	0.005	1.415	0.217	1.020
Firm Fixed Effects	***Included***				***Included***			
R2	***16.87%***				***19.15%***			
F-Value	***3.496***				***4.187***			
Model Sig.	***0.008***				***0.005***			
N	***300***				***300***			

The above results indicate to the significance of the model in interpreting the changes in the dependent variable financial performance indicators (ROA & Tobins'Q) where (F = 3.496 & 4.187) with significance (P-Value = 0.008 & 0.005) which is less than 0.05. Furthermore, the VIF for all variables was less than 10 which is mean there is no multicollinerity.

Moreover, the Adjusted R Square is equal 16.87% & 19.15% consequently for ROA and Tobins'Q indicators which is mean that Compliance with accounting standards and the other control variables explain 16.87% and 19.15% from the change of the financial performance indicators (ROA & Tobins'Q). This result motivates further research in exploring more variables that may effect on the dependent variable financial performance indicators (ROA & Tobins'Q).

Regarding the independent variables of compliance with accounting standards, there is positive significant effect of Compliance with accounting standards on the ROA indicator as one of the financial performance indicators (where T-Stat. = 2.451 > 2; Sig. = 0.018 < 0.05). Also, there is positive significant effect of the Compliance with accounting standards on the Tobins'Q as one of the financial performance indicators (where T-Stat. = 2.647 > 2; Sig. = 0.016 < 0.05).

Consequently, the researcher can fully accept the third hypothesis in the alternative form as follow: **H3: Compliance with accounting standards has significant impact on financial performance**.

4- Conclusions

Regarding the independent variables of Agility audit, there are significant effects of Agility audit on the ROA indicator as one of the financial performance indicators (where T-Stat. = 2.435, 2.621, 2.781 > 2; Sig. = 0.000, 0.000, 0.000 < 0.05 Consequently). Additionally, there are significant positive effects of Agility audit on the Tobins'Q as one of the financial performance

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indicators (where T-Stat. = 3.436, 2.521, 4.287 > 2; Sig. = 0.000, 0.000, 0.000 < 0.05). *Consequently, the researcher can total accept the first hypothesis in the alternative form as follow: H1: Agility audit imposes considerable influence over financial Performance. This result is like some previous studies that conducted in different contexts.*

The second objective is "Analyzing the impact of risk on financial performance of listed government-owned companies in UAE. The results are coming from the statistical analysis as follow:

Testing this hypotheses testing the relationship between the Risk management and the financial performance indicators (H2),Regarding the independent variables of Risk management, there is significant effect of Risk management on the ROA indicator as one of the financial performance indicators (where T-Stat. = 2.815 > 2; Sig. = 0.000 < 0.05). Additionally, there is significant positive effect of Risk management on the Tobins'Q as one of the financial performance indicators (where T-Stat. = 2.601 > 2; Sig. = 0.010 < 0.05).

Moreover, it is obvious there are no significant effects of the control variables on the financial performance indicators. Consequently, the researcher can fully accept the second hypothesis in the alternative form as follow: *H2: Risk management has a prominent impact over financial performance. the researcher can* fully *accept the second hypothesis in the alternative form as follow: H2: Risk management has a prominent impact over financial performance.* This result is like some previous studies that conducted in different contexts.

The third objective is "To Determining the impact of standards' compliance on financial performance of listed government-owned companies in UAE. The results are coming from the statistical analysis.

Regarding the independent variables of compliance with accounting standards, there is positive significant effect of Compliance with accounting standards on the ROA indicator as one of the financial performance indicators (where T-Stat. = 2.451 > 2; Sig. = 0.018 < 0.05). Also, there is positive significant effect of the Compliance with accounting standards on the Tobins'Q as one of the financial performance indicators (where T-Stat. = 2.647 > 2; Sig. = 0.016 < 0.05).

Consequently, the researcher can totally accept the third hypothesis in the alternative form as follow: *H3: Compliance with accounting standards has significant impact on financial performance.* This result like some previous studies that conducted in different contexts. On the other hand, IFRS compliance is strongly connected with FP according to previous studies.

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