Investigating the Relationship between Expectations Gap from Attitude of Accreditation of Audit Report by Credit Experts and Non-repayment of Granted Facilities in the Branches of Keshavarzi Bank of Iran

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ABSTRACT

The aim of this study is to investigate the relationship between expectations gap from attitude of accreditation of audit report by credit experts and non-repayment of granted facilities in the branches of Keshavarzi Bank of Iran. Considering that collection of debts shows the bank’s position in society and the banking network and improve performance of management. Credit officers and experts of banks repeatedly for authentication to borrowers with accuracy in audit reports specially type of comment provided act to the credit assessment of the economic unites of applicant of facilities. The withdrawal of auditors from the accreditation role of independent auditors and withdrawal of users has a significant difference which provide assessments with different aspects to meet the expectations gap from it and in such a situation, experts and officials of credit part of the banks cannot resolve their critical task from society’s expectations and this in turn will cause impact on the bank’s claims. Results of the survey research are based on results of collecting 250 questionnaires from decision-makers and officials of paying credits in the banking system. In this regard, it is tried to measure this relation by using statistics and data collected in time period 2015. In this study, linear regression is used at 95% confidence level, according to the results, it was specified by increasing expectations gap from attitude of accreditation of audit report by credit experts, non-repayment of granted facilities increases that shows the direct relationship between the two variables. So a systematic and comprehensive program to be designed and implemented to reduce expectation gap from audit report by credit experts so that the ability to analyze audit report and financial statements related to report and correct understanding of the applicant’s financial and credit position of facilities to be provided.

Keywords: Attitude of Accreditation, Expectations Gap from Audit Report, Credit Experts, Granted Facilities

JEL Classifications: C32, O13, O47

1. INTRODUCTION

One of the main problems that today financial and credit banks and institutions are faced with it is the problem of postponed claims and irrecoverable facilities. One of the causes of creating postponed claims in banks is disregarding the power of repayment of loan by borrowers’ credit. Since in Keshavarzi Bank, the amount of granted facilities to customers is high and credit applicant will provide its position to bank by the help of financial reporting system therefore, understanding the independent auditor report in the assessment of collection and granting facilities is evident. Credit experts and officials of banks credit in the payment of facilities consider audit reports to the financial statements in the assessment of customer’s credit and position and decision making to grant facilities. Assessments and decisions which, if taken correctly and not taken can be led to postponed claims in banks. The audit process assesse and improves the quality of the information contained in the financial statements and validates it. So the auditing profession as an accreditation science and auditors as independent experts that provides the accreditation has an important role in financial field. Many experts have confirmed the role of auditors in creating value-added information and Accreditation so the audit report reflects information risk (compliance claims with facts) and can be an important factor in evaluating an applicant’s status of credit
2. THEORETICAL FOUNDATIONS AND RESEARCH BACKGROUND

Certainly existing and continuing expectations gap of the audit reduces the credibility and status of audit in society and its effectiveness as a social valid profession will be fainter. So profession of auditing has always paid attention to reduce or neutralize of the gap and has done numerous efforts. Change and adjustment in the audit report that is the main means of communication between auditors and its audience is considered one of the main methods and effective in this area and the major efforts made in the profession of auditing is done in this way (Chong and Pflugrath, 2008). Theories existed in particular the theory of agency represents conflict of interest between producers and users of information. This conflict of interest is productive of required incentive to manage in order to optimize its benefits and leads to movements such as distortions of financial statements, which often involves the losses of investing. The main reason for the existence of independent auditing profession from the perspective of agency theory is the task of accreditation. Performing the role places the auditors in the unique position and the very basic in society (Khaleghi, 2003).

Credit managers and experts of bank are directly related to credit customer. On the one hand, they have a duty to respond to customer request and to obtain their consent and on the other hand, as the protector of interests of the bank should act so that to ensure from returning capital and bank of credit. Credit experts should analyze borrower’s financial documents as a certified auditor and by investigating documents of past, present, future position explain and describe the future process of the borrower. Credit manager should be able to extract strengths and weaknesses factors and points and place along them and make the correct decision. Continuity of learning and increasing knowledge through a variety of ways is considered key factors for credit managers for making correct decision. Of course, the average of withdrawal of auditors from accreditation role of independent auditors and the average of withdrawal of users has a significant difference. Another case that can be effective on the bank’s claims other than accreditation is the attitude of credit experts of banks (Almadzadeh et al., 2013). In general the role of accreditation of expectations gap from audit report by officials and credit experts is effective in creating non-current claims of banks. One of the consequences of increasing non-current claims on credit process of banks is the increase of credit risk of banks in the payment of facilities. When banks are not faced with non-returning facilities in due date; the willingness of banks to grant facilities is less due to increase risk. Another negative consequence of increasing non-current claims of banks is the reduction of economic growth. As non-current claims cause to the possibility of planning and careful credit policy to be not provided for banking authorities and monetary policy. In this section, first studies conducted abroad are provided and then providing internal investigations about this issue has been reviewed.

Mahdian (2009), in an experimental study investigated expectation gap with regard to the role of auditors in fraud cases. The results showed that first auditors not have more awareness to their

and its timely collection by the creditor. According to the state of the banking system and the banks have major role in monetary and financial affairs of the country and are executive of part of government policy.

As a result, making the most important decision in the banking system i.e. granting credit and timely collection should be based on the basis of principles criteria. The report of independent auditors in all cases is provided accurate, professional and reliable and independent auditors are committed to their principles therefore it should be protected this content of value created to be maintained, and the cases that damage the values to be reduced. Considering that very important task of assessing financial information of economic units in different communities have been assigned to independent auditors. Independent auditors do this issue by providing opinion to the financial information in the form of audit reports. How to provide comment is in a clear form which generally its concepts are clear to a large extent for all consumers, including creditors. The role of auditors over time is changed; auditors must meet the demand of different groups for their service. These changes are led to expectations gap from audit report. In fact, expectations gap is created when the auditors understanding from their role compared with the expectations of the public sector. If there is too expectation between gap from the audit report and financial statements by experts and credit decision-makers, it causes the facilities that are granted not to be assigned correctly and completely to manufacturing units and not do manufacturing unit of facilities appropriately and for the costs predicted that it would cause in the first place that manufacturing unit goes towards decline trend and in its financial provision to be have problem. In the second stage, it causes the manufacturing unit not have the power of timely payment of facilities that the lack of timely repayment of claims causes the banks to have problems in the allocation of their resources to customers and other production units. The result of this issue is the increase of postponed claims. This study sought to identify the role of expectations gap of credit experts and authorities of banks from attitude of accreditation of audit report of independent auditors to the financial statements of an economic unit and type of audit comment in credit decisions, in creating and increasing postponed claims in banks. According to what was said, the main question to be answered: Is there a significant positive relationship between expectations gap from attitude of accreditation of audit report by credit experts and non-repayment of granted facilities in the branches of Keshavarzi Bank of Iran?

Any research is done to achieve certain goals that is hidden in the problem and must be revealed. The main objective of this study is to evaluate expectations gap from attitude of accreditation of audit report by credit experts and non-repayment of granted facilities. In the second part, the theoretical foundations and research background will be discussed. In the third part, research methodology and statistical methods used is described. In the fourth part, the results of research and their analysis will be discussed and finally in the fifth part, summary and conclusion of the study will be explained.
professional responsibility to check for any fraud in all terms. The researchers consider this factor for creating expectations gap due to the weakness of operating and to meet it suggested auditors training in this area. Salehi et al. (2008) in a research that conducted regarding auditor independence and the gap of expectations concluded that preserve auditor independence has been very important for users of financial statements and there is a significant gap between auditors and users about the independence of auditors. Acquah and Addo (2011) studied factors affecting the performance of loan repayments by fishermen in Ghana using multiple regression models and the results show 70% of the fishermen have been delayed in their loan payment and factors such as experience, income, education and the loan has had positive effect and age and investment had negative effect. Taebi and Sood (2013) investigated the outcome of expectations gap of auditing on decision of credit experts. They concluded that factors such as experience and knowledge of credit expert can be effective in reducing expectations gap from auditing report. The mediation role of expectations gap from audit report was accepted in relation between experience, knowledge and quality of auditing on decision performance of payment of facilities. Khaleghi (2003) in a research titled the expectations gap between auditors and users from accreditation role of external auditors investigate the expectations gap between auditors and users from the role of accreditation of independent auditors. Required information is prepared and collected through sending questionnaire. The results of this study indicate that there is a significant difference between expectations gap of auditors and users from accreditation role of independent auditors. Hasas (2004) in a research acted to examine the expectations gap between auditors and users from the role of accreditation of independent auditors and concluded that there is a significant difference between the withdrawal of the auditors from accreditation role of independent auditors and average withdrawal of users. Mahdian (2009), in his master’s thesis entitled expectation gap between independent auditors and financial managers of companies in the evaluation of the auditor’s report has concluded that there is a significant difference between withdrawal (imagination) of auditors and financial managers about the messages contained in audit report on the audit process including investigating all transactions and important balance and using criteria and criteria predetermined and doing audit on the basis of personal preference and messages contained in the audit report about the sense of measure of assessing information.

3. METHODS AND RESEARCH HYPOTHESES

In terms of type of method considering that the present research is going to investigate the relationship between the expectations gap from audit report by credit experts and non-repayment of granted facilities in Keshavarzi Bank, hence this study is applied research objectively and in terms of the method of research is descriptive survey that data collection was done through library method for theoretical studies and research background. Then for accepting or rejecting the hypotheses test, the field method is used to gather the necessary information and survey tool has been questionnaire here.

3.1. The Main Hypothesis

There is a significant positive relationship between expectations gap from attitude of accreditation of independent auditors and non-repayment of granted facilities.

3.2. Sub Hypotheses

- Sub-1: There is a significant positive relationship between expectations gap from attitude of accreditation of independent auditors and past due claims
- Sub-2: There is a significant positive relationship between expectations gap from attitude of accreditation of independent auditors and overdue claims
- Sub-3: There is a significant positive relationship between expectations gap from attitude of accreditation of independent auditors and doubtful accounts
- Sub-4: There is a significant positive relationship between expectations gap from attitude of accreditation of independent auditors and bad debt claims.

3.3. Time Span and Population of Research Method

The time span of this research is 2015. The study population is credit experts and decision-makers of Keshavarzi Bank of Iran. For selecting the sample among the population, Cochran formula was used to be specified the sample size for us. Then questionnaires that according to the hypotheses and with the help of other valid and standard questionnaire were prepared distributed among the sample and after completion were collected and analyzed and the results were discussed with findings of other studies related. The questionnaire simultaneously through automation system of bank (mail) was sent to all branches across the country and given to credit experts and decision-makers of bank. A total of 294 questionnaires were received among the questionnaires that after the implementation and control with standardized questionnaire and questionnaires that were answered completely 250 questionnaires were selected as final sample selected.

3.4. Research Questionnaire

The relationship between independent and dependent variable with information collected is obtained through questionnaire. Likert is used for measuring information. In a way that qualitative characteristics change to quantitative to the statistical analysis to be done on the basis of quantitative and features. After collecting the questionnaires, scores for each questionnaire are calculated, then statistical analysis is done and the study result is achieved. Given the subject and methodology in the study, 250 questionnaires were completed about the reasons affecting past due claims- overdue- doubtful and bad debt. The questionnaire mentioned included 14 questions that 5 questions are related to public information and 9 questions are related to the attitude of accreditation of independent auditor and non-repayment of facilities (loans).

3.5. Concord Test of Experts View (Reliability of Test)

Since in this study, to determine the reasons affecting past due claims- overdue - doubtful and bad debt, the questionnaire method is used, there is the need to evaluate the ability of the tool in measuring attribute that the test is made for measuring it which it is called validity. After developing questionnaire, researcher gives it
to banking experts and after obtaining the views, corrective actions were done in questionnaire and validity of questionnaire was obtained according to view of banking experts and its specialists and thus the validity of questionnaire was proved. There is a concept near to the validity that called reliability. Reliability in fact is a means to measure. In order to measure reliability, first a prototype contains 50 pretest questionnaires was distributed and then after collecting the questionnaires using data obtained from the questionnaire, the coefficient of reliability by Cronbach’s alpha was calculated. In this study, Cronbach’s alpha coefficient for each of three main parts of questions of questionnaire was > 0.70, which indicates that the questionnaire has functionality and in other words reliability. Thus, the reliability of the questionnaire is fully approved and acceptable. Data analysis was done using the software SPSS version 20 and according to the scales of measuring and existing data, for data analysis, descriptive and inferential statistical methods were used. For descriptive data analysis in this study, for individual characteristics and demographic, frequency tables (frequency, percent of frequency, cumulative frequency) and column graphs, average, standard deviation, median, range and scores and… were used and for research hypotheses, Pearson correlation coefficient and regression was used.

4. THE EMPIRICAL MODEL OF RESEARCH AND DATA

According to the present study, in this study, the position of non-repayment of granted facilities of Keshavarzi Bank of Iran is considered as the dependent variable that in this study, four criterion of non-repayment of the granted facilities are used that are as follows: Past due claims, overdue claims, doubtful accounts, bad debt accounts and expectations gap from the report of independent auditors is as independent variables. In this study, the attitude of accreditation of independent auditor is used. Accordingly five following regression models are estimated as follows:

- **Model 1** - Per = α + βVA + ε
- **Model 2** - PDR = α + βVA + ε
- **Model 3** - PD = α + βVA + ε
- **Model 4** - RD = α + βVA + ε
- **Model 5** - BD = α + βVA + ε


4.1. Descriptive Statistical Test

In the Table 1, descriptive statistics of variables were investigated that according to the skewness and kurtosis of variables can be concluded that variables are normally distributed and the standard deviation also confirms this. However Kolmogorov–Smirnov test is used for normality of the variables.

4.2. Investigating the Normality Assumption of Variables

Before test hypotheses should be sure from normality of data, for test the normality of error terms, various tests can be used. One of the tests is Kolmogorov–Smirnov test that in this research, this test is used. As in Table 2 can be observed, the result of significance level of the test for all data is over 5%, this indicates the normality of the data. Normality of data specifies the distribution and the distribution of data.

4.3. The Results of Hypothesis Testing

The results of the test of main hypotheses and model (1) are shown in Table 3. Model 1 represents the relationship between the expectations gap from attitude of accreditation of independent auditors and non-repayment of granted facilities. F value in Table 3 is equal 67.23 that indicate that the total model at the level of 0.001 is significant (P < 0.05). R² is coefficient of determination that the amount of square is multiple correlation coefficients. The coefficient of determination between the two variables is 0.36 (R² = 0.36), or in other words, 3.6% of changes between two variables are common. The significance level of model is below 0.05 that indicates the approval of regression model. Thus the main hypothesis of research is confirmed that by increasing expectations gap from attitude of accreditation of independent auditors, non-payment of granted facilities increases.

The results of the test of first hypotheses and model 2 are shown in Table 4. Model 2 represents the relationship between the expectations gap from attitude of accreditation of independent auditors and past due claims.

R-square is coefficient of determination that the amount of square is multiple correlation coefficients. The coefficient of determination between the two variables is 0.33 (R² = 0.33), or in other words, 3.3% of changes between two variables are common. The significance level of model is below 0.05 that indicates the approval of regression model. Thus the first hypothesis of

<table>
<thead>
<tr>
<th>Table 1: Descriptive statistics of expectations gap from attitudes of accreditation of audit report by credit experts and non-repayment of granted facilities and their components</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variables</td>
</tr>
<tr>
<td>------------------------------------------------</td>
</tr>
<tr>
<td>Number</td>
</tr>
<tr>
<td>Average</td>
</tr>
<tr>
<td>SD</td>
</tr>
<tr>
<td>Skewness</td>
</tr>
<tr>
<td>Kurtosis</td>
</tr>
<tr>
<td>Minimum</td>
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<tr>
<td>Maximum</td>
</tr>
</tbody>
</table>

SD: Standard deviation
research is confirmed that by increasing accreditation of report of independent auditors, past due claims increase.

The results of the test of second hypotheses and model 3 are shown in Table 5. Model 3 represents the relationship between the expectations gap from attitude of accreditation of independent auditors and overdue claims. F value in Table 5 is equal 37.56 that indicate that the total model at the level of 0.001 is significant (P < 0.001). $R^2$ is coefficient of determination that the amount of square is multiple correlation coefficients. The coefficient of determination between the two variables is 0.20 ($R^2 = 0.20$), or in other words, 2% of changes between two variables are common. The significance level of model is below 0.05 that indicates the approval of regression model. Thus the second hypothesis of research is confirmed that by increasing expectation gap from attitude of accreditation of independent auditors, overdue claims increase.

The results of the test of third hypotheses and model 4 are shown in Table 6. Model 4 represents the relationship between the expectations gap from attitude of accreditation of independent auditors and doubtful accounts. The results of Table 6 show beta of variable of expectations gap from attitude of accreditation of independent auditors is equal 0.37 that at the level of 0.001 is significant (P < 0.001) and this shows that expectations gap from attitude of accreditation of independent auditors has significant relationship with doubtful accounts. Thus according to the results that the relationship between the expectations gap from attitude of accreditation of independent auditors has positive significant relationship with doubtful accounts is confirmed so the third hypothesis of research is confirmed.

The results of the test of fourth hypotheses and model 5 are shown in Table 7. Model 5 represents the relationship between the expectations gap from attitude of accreditation of independent auditors and bad debts. The results of Table 7 show beta of variable

**Table 2: Kolmogrov–Smirnov test for investigating normality assumption of variables**

<table>
<thead>
<tr>
<th>Research models</th>
<th>Statistic Z</th>
<th>Significant level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model 1</td>
<td>0.82</td>
<td>0.205</td>
</tr>
<tr>
<td>Model 2</td>
<td>0.37</td>
<td>0.635</td>
</tr>
<tr>
<td>Model 3</td>
<td>0.14</td>
<td>0.645</td>
</tr>
<tr>
<td>Model 4</td>
<td>0.12</td>
<td>0.802</td>
</tr>
<tr>
<td>Model 5</td>
<td>0.35</td>
<td>0.673</td>
</tr>
</tbody>
</table>

**Table 3: Results of analysis of the first regression model (main hypothesis)**

$$\text{Per}=\alpha+\beta \text{VA}+\epsilon$$

<table>
<thead>
<tr>
<th>Variable</th>
<th>Symbol</th>
<th>Non-standardized coefficient</th>
<th>Student’s t-test</th>
<th>Significant level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expectations gap from attitude of accreditation of auditor</td>
<td>VA</td>
<td>0.6</td>
<td>8.56</td>
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<tr>
<td>Intercept</td>
<td>CONS</td>
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<td>Number</td>
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<td></td>
</tr>
<tr>
<td>Statistics F</td>
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<td>67.23</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coefficient of determination $R^2$</td>
<td></td>
<td>0.36</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Significant level of model</td>
<td></td>
<td>0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Table 4: Results of analysis of the second regression model (first hypothesis)**

$$\text{Pdr}=\alpha+\beta \text{VA}+\epsilon$$

<table>
<thead>
<tr>
<th>Variable</th>
<th>Symbol</th>
<th>Non-standardized coefficient</th>
<th>Student’s t-test</th>
<th>Significant level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expectations gap from attitude of accreditation of auditor</td>
<td>VA</td>
<td>0.55</td>
<td>7.85</td>
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<td>Intercept</td>
<td>CONS</td>
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<td>Number</td>
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<tr>
<td>Statistics F</td>
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<td>61.63</td>
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<tr>
<td>Coefficient of determination $R^2$</td>
<td></td>
<td>0.33</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Significant level of model</td>
<td></td>
<td>0</td>
<td></td>
<td></td>
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</tbody>
</table>

**Table 5: Results of analysis of the third regression model (second hypothesis)**

$$\text{Pd}=\alpha+\beta \text{VA}+\epsilon$$

<table>
<thead>
<tr>
<th>Variable</th>
<th>Symbol</th>
<th>Non-standardized coefficient</th>
<th>Student’s t-test</th>
<th>Significant level</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expectations gap from attitude of accreditation of auditor</td>
<td>VA</td>
<td>0.3</td>
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</tr>
<tr>
<td>Intercept</td>
<td>CONS</td>
<td>0.23</td>
<td>0.85</td>
<td>0</td>
</tr>
<tr>
<td>Number</td>
<td></td>
<td>250</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Statistics F</td>
<td></td>
<td>37.56</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Coefficient of determination $R^2$</td>
<td></td>
<td>0.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Significant level of model</td>
<td></td>
<td>0</td>
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</tr>
</tbody>
</table>
of expectations gap from attitude of accreditation of independent auditors is equal 0.31 that at the level of 0.001 is significant (P < 0.001) and this shows that expectations gap from attitude of accreditation of independent auditors has significant relationship with bad debts. Thus according to the results that the relationship between the expectations gap from attitude of accreditation of independent auditors has positive significant relationship with bad debts is confirmed so the fourth hypothesis of research is confirmed.

### 5. Conclusion

Banks are financial intermediation between depositors or borrowers and using their resources and people’s deposits, try to grant facilities. In the banking system, bank profitability is guaranteed when customer and facilities applicant acts in due time and based on trust and reputation in paying loan and credit demands. Transparency of the economic unit (by having the audited financial statements and tax returns), collect and achieve information from people, especially knowledge and expertise people in financial and economic activities, and familiar to the update economic issues, date opened, inventory, average and circulation of account with the bank, the purchase of raw materials and selling products, the type and quantity of productions, the company’s registered capital, how to trade and activity, remaining debt and obligations of the banking system (warranty and the openings), profitability or loss of the company in previous years, profits from investments and assets, as well as the obligations of the applicant, rational relation between the type of facilities and commitments requested by type of activity, optimistic about account (timely fulfilling previous commitments), reputation of having and continued activity in profession and business, in investigating whether the applicant is entitled to receive facilities and validity or not is very important (i.e. the applicant has credit capacity). In other words, credit experts, officials and credit decision-makers at the time of the decision of granting facilities refer to report of independent auditors. So the audit report represents risk of information and can be an important factor in evaluating the applicant’s situation of credit by the creditor. Since the applicant of credit provides his position to bank by the help of the financial reporting system so the role of auditor is important in evaluating credit. The role of attitude of accreditation of auditing report in credit expert can be effective in creating non-current receivables of banks. One of the consequences of increasing growth is the proportion of non-current receivables that a part of resources of banks in long-term is exited from circulation and other part is considered as reserving non-current receivables for covering possible losses arising from the non-return of claims. This issue ultimately by the reflection in the balance sheets of banks leads to a decrease in profitability and asset quality of banks. One of the consequences of increasing non-current claims on the credit trend of banks is the increase of credit risk of banks in loan payment. One of the negative consequences of increasing non-current receivables of banks is the reduction of economic growth. But to assess the role of auditing not to be satisfied solely the withdrawal of accreditation of report. Strict attention to the reporting framework of auditing is very important. The increase of public protests and repeating profit of withdrawals is the sign of inappropriate communication tools between auditors and users and caused the expectations gap from auditing report.

In this study, the following hypotheses have been examined that the results are as follows: The main hypothesis about the positive relationship between expectations gap from attitude of accreditation of independent auditors and non-repayment of granted facilities were raised that was tested with statistical method of correlation and univariate regression. Pearson correlation coefficient between expectations gap from attitude of accreditation of independent auditors and non-repayment of granted facilities
is equal 0.51 that at the level of 0.01 is significant (P < 0.01) that, according to the results of correlation test and regression, this hypothesis is confirmed.

The first sub hypothesis about the positive relationship between expectations gap from attitude of accreditation of independent auditors and past due claims were raised that was tested with statistical method of correlation and univariate regression. Pearson correlation coefficient between expectations gap from attitude of accreditation of independent auditors and past due claims is equal 0.38 that at the level of 0.05 is significant (P < 0.05) that, according to the results of correlation test and regression, this hypothesis is confirmed. These results are consistent with findings of Mahdian (2009).

The second sub hypothesis about the positive relationship between expectations gap from attitude of accreditation of independent auditors and overdue claims were raised that was tested with statistical method of correlation and univariate regression. Pearson correlation coefficient between expectations gap from attitude of accreditation of independent auditors and overdue claims is equal 0.46 that at the level of 0.001 is significant (P < 0.001) that, according to the results of correlation test and regression, this hypothesis is confirmed. These results are consistent with findings of Fuladi (2010).

The third sub hypothesis about the positive relationship between expectations gap from attitude of accreditation of independent auditors and doubtful accounts were raised that was tested with statistical method of correlation and univariate regression. Pearson correlation coefficient between expectations gap from attitude of accreditation of independent auditors and doubtful accounts is equal 0.41 that at the level of 0.001 is significant (P < 0.021) that, according to the results of correlation test and regression, this hypothesis is confirmed. These results are consistent with findings of Bagheri and Baha (2004).

The fourth sub hypothesis about the positive relationship between expectations gap from attitude of accreditation of independent auditors and bad debts were raised that was tested with statistical method of correlation and univariate regression. Pearson correlation coefficient between expectations gap from attitude of accreditation of independent auditors and bad debts is equal 0.35 that at the level of 0.00 is significant (P < 0.051) that, according to the results of correlation test and regression, this hypothesis is confirmed. These results are consistent with findings of Ansari (2007).

5.1. Limitations of the Study
Limitations that in the view of researcher, the study faced with them are as follows:
1. Conservation of credit experts and decision-makers in responding questions
2. The questionnaire’s inherent limitations in the sense that the questionnaire cannot correctly reflect views
3. Personal desires and prejudices of credit experts and decision-makers toward the branch may affect research results
4. The lack of familiarity and adequate understanding of relevant experts and authorities from all sections of the audit report that affects the expectations gap created from audit report.

5.2. Suggestions for Future Research
The following suggestions for future research are provided:
1. Investigating the role of primary factors, intermediate and effective outcome in relation between expectations gap from audit reports by credit experts and non-repayment of facilities granted in addition to the above factors and thus improving the depth of current research
2. Since in this study, expectations gap from audit report has been investigated only from the aspect of independent validation attitude, it can be investigated in future research, other dimensions of expectations gap.

5.3. Proposals to Solve the Root of Non-repayment of Granted Facilities
1. Keshavarzi Bank’s senior managers to reduce the expectations gap from the audit report by credit experts should adopt a coherent and systematic approach and design and execute a comprehensive written plan to reduce the expectations gap from audit report by credit experts with regard to the promotion and development of their programs so that the ability to analyze audit report and financial statements related to the report, which reduces the expectations gap from audit report and a proper understanding of the applicant’s financial and credit position of facilities so accurate decisions at the time of granting facilities cause to more appropriate refund of granted facilities.
2. Considering that the effect of expectations gap from audit report by credit experts on the repayment of granted facilities is increasing so attention to these two cases should be done more than ever. i.e., developers of bank standards pay more attention to the concept of the audit report in the conceptual framework and raise it so highlighted.
3. It is suggested to experts and decision-makers for paying facilities to credit applicants in addition to investigate audit reports investigate other financial statements including cash flow statement to be able to precisely make decision from timely capacities of facilities from the applicants.
4. On the other hand, bank’s employees and managers must improve their understanding of each other through a dynamic, continuous and long term interaction to obtain better understanding of the needs through this way, and in necessary positions to have better assistance and cooperation with each other as one of the most important factors of the effectiveness of the audit report in organization is its acceptability near staff based on the needs and expectations as well as facilitate the process and its usefulness in terms of staff.
5. It is also suggested in the level of minor banks in technical and economic evaluation of the projects for lending to be considered the process of macroeconomic variables to base on the related predictions, how to grant facilities to be done in such a way that the source of profit expected of facilities to be reversible.
6. strengthen the bank’s risk management, while identifying and covering all risks, strong emphasis on the process of financial evaluation of projects by relying on the audited financial
statements and audit report as well as strengthen the quality and quantity of the parts of economic financial and technical studies and the use of specialized external forces needed in order to learn and improve special training of auditing and accounting by holding training courses or support for research, scientific, research and academic to be obtained a better understanding of effective components of auditing and minimized undesirable results, such as bankruptcy and reduce competitiveness.

REFERENCES


