

Analysis of Murabahah Financing Audit, Independence, and Competence on Audit Quality at Islamic Bank KC Ujung Batu

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Abstract

This study discusses the quality of audit in murabahah financing, focusing on how auditor independence and competence influence audit quality in Islamic banking institutions. The main problem addressed in this research is the inconsistency of audit quality in murabahah financing practices, which is suspected to be influenced by variations in auditor independence and professional competence. The research questions in this study are formulated to examine how murabahah financing audit practices are conducted, how auditor independence contributes to audit quality, and how auditor competence affects the reliability of audit outcomes. This study uses a qualitative descriptive method based on literature study, where data are collected from academic journals, books, and relevant previous research related to Islamic banking audit practices. The analysis is carried out by systematically reviewing, comparing, and interpreting various sources to obtain a comprehensive understanding of the studied variables. The findings indicate that audit quality in murabahah financing is strongly influenced by the level of auditor independence and competence, where both factors play a complementary role in ensuring accurate, objective, and reliable audit results. It is also found that limitations in either independence or competence may reduce the effectiveness of audit functions in maintaining compliance with Islamic principles. Therefore, strengthening these two aspects is essential to improve the overall quality of audit in Islamic banking institutions.

Keywords: Audit Quality, Murabahah Financing, Auditor Independence, Auditor Competence, Islamic Banking

Introduction

The development of Islamic banking has shown significant growth in recent years, particularly in terms of financing product innovation. One of the most widely used products is murabahah financing, which is based on a sale and purchase agreement with an agreed profit margin. In practice, this type of financing not only requires compliance with Islamic principles but also demands a strong supervision system. Audit plays an important role in ensuring that all processes are carried out in accordance with applicable regulations. However, the quality of audits produced is often influenced by various internal auditor factors. This raises concerns regarding how murabahah financing audits can be conducted effectively (Rahman, 2024).

One of the common issues related to audit quality is the inconsistency between established procedures and their implementation in practice. This condition may be caused by the lack of auditor independence in carrying out their duties. In addition, auditor competence is also a crucial factor in determining the extent to which an audit can produce reliable results. Auditors who lack an understanding of Islamic principles may generate less accurate findings. Such situations can reduce public trust in Islamic financial institutions. Therefore, audit quality cannot be separated from the capacity and integrity of the auditors themselves (Etika et al., 2022).

Auditor independence is the primary foundation for maintaining the objectivity of the audit process. Without independence, auditors are at risk of being influenced by certain interests that may compromise their professional judgment. In the context of Islamic banking, independence becomes even more important because it is closely related to compliance with Sharia principles. Auditors are required to remain neutral when evaluating every transaction. When independence is impaired, audit results become less reliable. This will certainly affect the quality of the audit reports produced (Sulanjana, 2023).

In addition to independence, auditor competence also plays an equally important role in determining audit quality. Competence includes the

knowledge, skills, and experience possessed by auditors in performing their duties. Auditors who have a deep understanding of murabahah financing will be better able to identify potential errors or irregularities. On the other hand, a lack of competence may cause the audit process to be carried out less optimally. This condition can reduce the effectiveness of the supervisory function within Islamic financial institutions. Therefore, improving auditor competence has become a necessity that cannot be overlooked (Siti, 2022).

Murabahah financing audits have unique characteristics that distinguish them from audits of conventional products. The audit process must pay attention to aspects of the contract (akad), the clarity of the transaction object, and the conformity of the profit margin. Every stage of the financing process needs to be examined carefully to ensure that no violations of Sharia principles occur. Auditors must be able to understand the transaction structure comprehensively. This requires specialized expertise that is not only technical but also conceptual in nature. Therefore, auditing murabahah financing demands a high level of accuracy.

The importance of audit quality in Islamic banking cannot be separated from efforts to maintain public trust. Islamic financial institutions operate based on values that emphasize justice and transparency. When audit quality is maintained, the credibility of the institution will also increase. Conversely, weak audits may create doubts regarding the integrity of the institution. This condition has the potential to hinder the growth of the Islamic banking industry. Therefore, attention to the factors affecting audit quality is highly important (N. A. Nasution, 2022).

In practice, the relationship between murabahah financing audits, auditor independence, and auditor competence does not always function ideally. Various challenges may affect audit effectiveness, such as organizational pressure and limitations in human resources. This indicates that audit quality is the result of interactions among various complex factors. Auditors are not only required to understand procedures but also to deal with the dynamics encountered in the field. Therefore, a comprehensive approach

is needed to improve audit quality. These efforts must involve improvements in both the system and the individual capacity of auditors (Fizriyah, 2024).

Method

This study employs a qualitative descriptive approach through a literature review method to examine in depth the relationship between murabahah financing audits, auditor independence, and auditor competence on audit quality. This approach was chosen because it enables researchers to systematically explore various concepts, theories, and empirical findings that have been previously published. The data used in this study are entirely secondary data obtained from scientific journals, reference books, research reports, and official publications relevant to the research topic. The data collection process was carried out by identifying, reading, and classifying sources directly related to the variables discussed. The researcher then selected the literature considered most credible and relevant to the analytical needs. In this way, the resulting discussion is not only theoretical in nature but also supported by strong foundations from previous research findings (AL MUFID, 2024).

The implementation of this research focuses on collecting literature relevant to audit practices in Islamic banking in Indonesia, with particular emphasis on the context of murabahah financing. Data analysis techniques were conducted qualitatively through the stages of data reduction, data presentation, and conclusion drawing based on patterns identified from various sources. The researcher compared and related different perspectives from the literature to obtain a more comprehensive and in-depth understanding. In addition, a critical analysis was conducted to identify gaps and consistencies among previous research findings. To ensure data validity, the researcher used sources originating from trusted publications with strong academic reputations. Through this approach, the results of the study are expected to provide a clear conceptual overview of the factors influencing audit quality in murabahah financing within Islamic banking institutions (Ridola, 2025).

Results And Discussion

1. Murabahah Financing Audit in Islamic Banking Practices

Auditing murabahah financing operates not only within an administrative framework but also within a normative one, as it is directly related to Sharia principles governing the validity of transactions. Every audit process requires careful attention to the contract structure, clarity of the object being financed, and the mechanism for determining profit margins, which must be transparent from the beginning. In daily practice, auditors are often faced with documents that appear formally complete but contain minor gaps that can only be identified through conceptual understanding. Such situations require analytical sensitivity that is flexible while still adhering firmly to established regulations. In this context, auditing becomes a kind of “tool for interpreting reality,” examining not only numerical figures but also the meaning behind each transaction. If this process is carried out superficially, the resulting audit quality tends to become shallow and lose its corrective function (Rukanda, 2022).

Within the operational dynamics of Islamic banking, the murabahah financing process often involves interconnected stages, ranging from application to transaction realization. Each stage contains potential errors that may not be immediately visible. Auditors need to trace transaction records systematically, much like assembling pieces of a puzzle that must fit together without gaps. When one part is overlooked, the overall picture becomes incomplete and may lead to misleading assessments. This complexity means that audits cannot be conducted carelessly or merely by following a checklist. A more reflective approach is required so that every detail can be understood within a broader context (Ghoriyyudin & Soeratin, 2024).

Field conditions indicate that information transparency remains a vulnerable point in the murabahah financing audit process. Not all data are presented openly, requiring auditors to conduct additional investigations to verify their accuracy. Sometimes, the available information appears well-

organized on the surface but raises questions upon deeper examination. In such situations, the ability to interpret the “empty spaces” becomes essential for auditors. Consequently, the audit process transforms into an interpretative activity requiring a high degree of caution. Without a critical attitude, audits risk remaining superficial and failing to address substantive issues (Ishak, 2025).

Differences in perspectives among institutions regarding the implementation of Sharia principles also create unique challenges in conducting audits. Not all institutions apply uniform operational standards, resulting in varying interpretations of murabahah contracts. This requires auditors to adapt without losing their normative foundation. Flexibility in thinking becomes important but must still be guided by clear principles. Otherwise, audits may become trapped in excessive relativity that obscures assessment standards. Therefore, maintaining a balance between strict compliance and flexible understanding is highly important (Ridwanto et al., 2023).

In broader practice, murabahah financing audits often focus more on formal compliance aspects rather than exploring the deeper meaning behind transaction processes. Such an approach tends to make audits function merely as a “checklist exercise” without truly addressing the quality of implementation. In fact, there is a broader opportunity to evaluate whether transactions are conducted fairly and transparently. When audits only remain at the surface level, the added value they should provide becomes limited. A more comprehensive perspective is therefore required so that auditing does not merely become a routine activity but truly functions as a control mechanism. In this way, auditing can serve as a guardian of balance between regulations, practices, and the values underlying them (Saputra, 2022).

2. Auditor Independence and Competence as Determinants of Audit Quality

Auditor independence in Islamic banking practices may be likened to a silent axis that is not always visible but fundamentally determines the

direction of every assessment produced throughout the layered and continuous audit process. In a work environment filled with interactions and close relationships among departments, maintaining professional distance is not a simple matter that can be resolved solely through written regulations. There are subtle dynamics that often remain unspoken, such as implicit pressures, overly familiar working relationships, or certain expectations that gradually influence the auditor's perspective. When independence begins to erode, even slowly and almost imperceptibly, audit results may lose their sharpness in identifying actual conditions. Auditors appear to stand between two currents: maintaining objectivity or following the flow of organizational comfort. Under such conditions, independence is not merely a matter of attitude but also a matter of courage to remain firm in situations that are not always ideal (Tusakdiah, 2025).

Auditor competence represents another equally important dimension, shaping the depth of thinking and the accuracy in interpreting every transaction detail examined within the audit environment, which is often filled with nuance. Technical knowledge alone is insufficient without conceptual understanding capable of explaining why a transaction complies with or deviates from applicable principles. In the context of murabahah financing, auditors are required to understand not only the external form of transactions but also the logic underlying the entire contract structure. Work experience becomes a form of "silent memory" that helps auditors recognize recurring patterns without the need for explicit explanations. When competence develops comprehensively, auditors no longer work reactively but become more proactive in anticipating potential issues.

The interaction between independence and competence creates a unique professional environment in which both aspects are interconnected in shaping the quality of audit assessments. Independence without competence may result in auditors remaining neutral but lacking the analytical sharpness needed to understand complex issues. Conversely, competence without independence may produce intelligent analyses that are vulnerable to bias

due to certain interests. Achieving balance between the two is not easy, as it requires continuous professional awareness in every situation. In practice, this balance is frequently tested by conditions that are not always ideal. Therefore, maintaining harmony between independence and competence is an ongoing process rather than something achieved instantly (Nuryanti et al., 2025).

The organizational environment also plays a significant role in shaping whether auditor independence and competence can develop or gradually become constrained. A highly hierarchical work culture, for example, may discourage auditors from disclosing findings considered sensitive or potentially conflict-inducing. On the other hand, insufficient support for auditor capacity development may cause competence to stagnate and fail to evolve according to changing demands. Under such conditions, auditors seem to walk along a narrow path where professional freedom becomes limited. In fact, audit quality depends heavily on freedom of thought and depth of understanding. Therefore, organizational environments need to be designed in a way that supports both aspects in a balanced manner (K. A. Nasution et al., 2024).

In a broader context, auditor independence and competence affect not only technical audit quality but also perceptions of institutional credibility as a whole, which are often judged through seemingly simple yet meaningful indicators. When auditors demonstrate firmness alongside deep understanding, trust in audit results grows naturally without coercion. Conversely, when either aspect weakens, that trust may gradually diminish without immediate realization. This condition illustrates that audit quality does not exist in isolation but is connected to many interrelated factors. Therefore, strengthening independence and competence is not merely an internal necessity but also part of maintaining broader public trust. Ultimately, these two aspects become invisible foundations supporting the sustainability of auditing practices within Islamic banking (Kurniawan et al., 2023).

3. Implications of Audit Quality on Trust and the Performance of Islamic Banks

Audit quality in Islamic banking creates a form of trust resonance that may not always be directly visible but is reflected in how society perceives the integrity of financial institutions operating under specific values and principles. When the audit process is conducted thoroughly and comprehensively, it gradually creates a sense of security among stakeholders. Such trust does not emerge instantly but is built through consistent efforts to maintain transparency and accountability. In the context of murabahah financing, the clarity of every transaction stage becomes an important aspect quietly assessed by the public, even if not fully understood technically. If audits are capable of ensuring such clarity, the institution's image will strengthen organically. Conversely, when audits are conducted superficially, trust may slowly erode without immediately visible symptoms (Ilmi, 2024).

Within the internal organizational environment, audit quality functions like a reflective mirror that reveals the actual condition of operational processes with all their complexities. Through sharp and substantive audits rather than mere formalities, various potential weaknesses can be identified before developing into larger and more difficult problems. This provides management with opportunities to implement more targeted and proactive improvements. When audits successfully perform this function, organizational performance tends to move along a more stable and measurable path. Conversely, superficial audits only produce an illusionary picture that is insufficient as a basis for decision-making. In such situations, audits lose their role as navigational tools that should help organizations determine direction (Ilma, 2022).

The relationship between audit quality and internal control systems forms a mutually reinforcing connection in creating governance that is not merely well-organized on paper but also effectively implemented in daily practice. Well-structured systems make it easier for auditors to trace transaction flows without facing unnecessary obstacles. Conversely, weak

systems complicate the audit process and increase the risk of inaccurate assessments. Under such conditions, auditors are often forced to work harder merely to verify basic matters that should already be assured. Therefore, audit quality cannot be separated from the quality of the supporting systems. Both move together and cannot stand independently (Ramadhani, 2025).

On a broader scale, audit quality also has implications for institutional stability in facing continuously evolving risks. Institutions with strong audit systems tend to be better prepared to anticipate potential disruptions because they possess consistent early detection mechanisms. This creates an invisible layer of protection that is highly important for maintaining operational balance. Conversely, when audits fail to perform this function effectively, risks may develop uncontrollably. The impact is felt not only internally but can also extend more broadly. In such circumstances, audit quality becomes one of the determinants of institutional resilience in the long term (Saputra, 2022).

4. Dynamics of Challenges and Efforts to Strengthen Audit Quality

In Islamic banking practices, audit quality does not develop within a sterile environment but rather within a dynamic setting that continuously influences how auditors interpret transaction details. The challenges encountered are not always major or easily identifiable but often emerge in the form of small recurring issues that gradually shape less appropriate habits. Heavy workloads, demanding completion targets, and time constraints frequently cause audits to be conducted in a “sufficient” rather than a “thorough” manner. In such conditions, auditors are required to maintain quality without becoming trapped in mechanical routines. There is a constant tension between efficiency needs and the demand for accuracy that is not easy to balance. If not managed properly, these conditions may gradually reduce audit quality without being fully realized (Ridwanto et al., 2023).

Rapid technological development actually opens new opportunities for improving audit quality, while simultaneously presenting challenges that cannot be ignored. Digital systems used in transaction recording and reporting require auditors to possess additional skills beyond conventional

understanding. When technology is not comprehensively understood, auditors risk becoming passive users unable to maximize its potential. On the other hand, appropriate technological utilization can accelerate analytical processes without sacrificing audit depth. This demonstrates that audit quality depends not only on human factors but also on how technology is used wisely. In this context, adaptation becomes an unavoidable key factor (Etika et al., 2022).

Behind these various challenges lies an increasing need to strengthen auditor capacity in order to address growing complexities over time. Learning processes cannot stop at formal education but must continue through reflective and sustainable experiences. Auditors who continuously develop their abilities will be better prepared to face unexpected situations. There is a form of “professional maturity” built through such a long process that cannot be achieved instantly. Under these conditions, audit quality reflects the learning journey undertaken by the auditors themselves. The deeper the learning process, the stronger the resulting audit quality (Sulanjana, 2023).

Efforts to strengthen audit quality also cannot be separated from the organization’s role in creating a work ecosystem that naturally supports professionalism. An environment that is open to discussion, criticism, and evaluation provides auditors with opportunities to grow without fear or excessive pressure. Conversely, rigid and closed environments may hinder learning processes and limit auditors’ professional space. In a healthy environment, mistakes are not always viewed as failures but as part of a continuous improvement process. This creates a more adaptive and responsive work climate toward change. Therefore, audit quality is shaped not only by individuals but also by the environment surrounding them (Siti, 2022).

Conclusion

Audit quality in murabahah financing is not a simple matter but is formed through a series of interconnected processes involving an understanding of Sharia principles, accuracy in examining transactions, and

the auditor's ability to maintain professionalism amid various surrounding dynamics. Auditor independence and competence emerge as two inseparable elements because both determine the extent to which audits can provide accurate and reliable representations of practices within Islamic financial institutions. When these two elements function in balance, the audit process tends to produce assessments that are more objective, comprehensive, and not merely limited to formal compliance aspects. Conversely, when one of these elements weakens, audit quality may also decline and lose its sharpness in interpreting actual conditions in the field. This demonstrates that auditing is not merely an inspection activity but also a process of interpretation requiring depth of thought and consistency in professional conduct. Therefore, strengthening audit quality remains a continuous necessity alongside the ongoing development of Islamic banking practices.

As a direction for future development, improving audit quality can be achieved through the continuous enhancement of auditor capacity, both in terms of technical understanding and comprehension of Sharia principles, which serve as the primary foundation for every transaction being examined. In addition, a work environment that supports independence and encourages competency development must also receive attention so that auditors can perform their duties optimally without pressures that may interfere with objective judgment. Future studies and research may also focus on exploring other factors that have not been widely discussed, such as the influence of audit technology or the dynamics of institutional internal policies on audit quality. In this way, the understanding of audit quality can continue to evolve and not remain limited to a single perspective.

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