



**T.C.
TOKAT GAZIOSMANPAŞA UNIVERSITY
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**THE EFFECT OF THE QUALITATIVE CHARACTERISTICS OF
ACCOUNTING INFORMATION ON THE QUALITY OF FINANCIAL
REPORTS OF COMMERCIAL BANKS - AN APPLIED STUDY IN A
SAMPLE OF COMMERCIAL BANKS IN IRAQ**

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SCIENTIFIC ETHICS PAGE

According to the thesis writing guide of Tokat Gaziosmanpaşa University Institute of Social Sciences, My Master's thesis named “The Effect Of The Qualitative Characteristics Of Accounting Information On The Quality Of Financial Reports Of Commercial Banks - An Applied Study In A Sample Of Commercial Banks In Iraq” that I have prepared under the consultancy of “Assoc.Prof.Dr. Mihriban COŞKUN ARSLAN” is based on scientific ethical values and rules. I hereby declare that it is an appropriate, original work, and I will accept any legal sanctions if it is determined otherwise.

/ 3 / 2022

Rokan Ramzi Faiq AL TALABANI

JURY ACCEPTANCE AND APPROVAL

Rokan Ramzi Faiq AL TALABANI tarafından hazırlanan “**The Effect Of The Qualitative Characteristics Of Accounting Information On The Quality Of Financial Reports Of Commercial Banks - An Applied Study In A Sample Of Commercial Banks In Iraq**” adlı tez çalışmasının savunma sınavı 24/02/2022 tarihinde yapılmış olup aşağıda verilen Jüri tarafından Oy Birliği ile Tokat Gaziosmanpaşa Üniversitesi Lisansüstü Eğitim Enstitüsü İşletme Anabilim Dalı – Muhasebe ve Finansman Bilim Dalı’nda Yüksek Lisans Tezi olarak kabul edilmiştir.

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DEDICATION

It gives me great pleasure and a duty of loyalty and gratitude to present my feelings of appreciation and respect to my “Assoc.Prof. Dr.Mihriban COŞKUN ARSLAN”, for the kindness to supervise the research, and to enrich it with his valuable guidance and continuous follow-up. I also thank all those who helped me to complete this thesis from professors in the Accounting Department, and other departments in the College of Administration and Economics. Finally, I would like to thank everyone who contributed from near or far, or in expressing an opinion, advice or recommendation, and to those whom I missed to thank.

ABSTRACT

Financial reports are the main means through which information on business results and the financial position of banks can be provided. In order for the accounting information contained in the financial reports to be useful, it must be characterized by qualitative characteristics that make financial reports of quality and interest that meet the needs and requirements of users. The study aimed to measure the impact of the qualitative characteristics of accounting information on the quality of the financial reports of Iraqi commercial banks. To achieve the goal of the study, the descriptive approach was followed in presenting the data, and the analytical approach in analyzing the results of the study due to its suitability to the nature of the study. Unpacking and analyzing the evidence and testing the hypotheses of the study using the appropriate tests and treatments in the SPSS statistical program in order to reach the implications of a result that support the subject of the study. After analyzing the data, the study reached results indicating the existence of a positive impact with a high statistical significance of the basic and enhancing qualitative characteristics of accounting information on the quality of financial reports in Iraqi commercial banks. The study recommended the need to display accounting information in financial reports in a way that meets the level of users' needs, and the need to disclose the accounting methods and policies used in preparing financial reports, and to increase interest in improving the information contained in the financial reports issued by these banks.

Keywords: Accounting Information, Characteristics Of Accounting Information, Financial Reports, Quality Of Financial Reports, Commercial Bank.

ÖZET

Finansal tablolar, faaliyet sonuçları ve bankaların finansal durumu hakkında bilgilerin sağlanabileceği başlıca araçlardır. Finansal tablolarda yer alan muhasebe bilgilerinin faydalı olması için kullanıcıların ihtiyaç ve gereksinimlerini karşılayacak şekilde kaliteli ve ilgi çekici niteliksel özelliklerle karakterize edilmelidir. Çalışma, muhasebe bilgilerinin niteliksel özelliklerinin Irak ticari bankalarının finansal raporlarının kalitesi üzerindeki etkisini ölçmeyi amaçlamıştır. Araştırmanın amacına ulaşmak için verilerin sunumunda betimsel yaklaşım, araştırmanın doğasına uygunluğu nedeniyle araştırma sonuçlarının analizinde analitik yaklaşım izlenmiştir. Çalışmanın konusunu destekleyen bir sonucun çıkarımlarına ulaşmak için SPSS istatistik programında uygun testler ve analizler kullanılarak çalışmanın hipotezlerinin test edilmiştir. Buna göre araştırma kapsamında, Irak ticari bankalarında muhasebe bilgilerinin temel ve geliştirici niteliksel özelliklerinin finansal tabloların kalitesi üzerinde yüksek istatistiksel anlamlılık ile olumlu bir etkisinin varlığına işaret eden sonuçlara ulaşmıştır. Çalışmada, muhasebe bilgilerinin finansal raporlarda kullanıcıların ihtiyaç düzeyini karşılayacak şekilde gösterilmesi, finansal tabloların hazırlanmasında kullanılan muhasebe yöntem ve politikalarının açıklanması ve bu bankalar tarafından düzenlenen finansal raporlarda yer alan bilgilerin iyileştirilmesine yönelik ilginin artırılması önerilmiştir.

Anahtar Kelimeler: Muhasebe Bilgileri, Muhasebe Bilgilerinin Özellikleri, Finansal Tablolar, Finansal Tabloların Kalitesi, Ticari Banka.

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ABBREVIATIONS

FASB: American Financial Accounting Standards Board

FIFO: First-In, First-Out

IASB: International Accounting Standards Board

IFRS: International Financial Reporting Standards

OCI: Other Comprehensive Income

SEC: Securities And Exchange Commission

SPSS: Statistical Packages For Social Sciences

INTRODUCTION

The interest in accounting information has increased recently as a result of the financial turmoil as it showed that one of the main reasons was the inability of the accounting information contained in financial reports to meet the requirements of its users in providing information useful for the purposes of making rational decisions. As a result, accounting is seen as a system whose primary objective is to create and communicate information that must show certain characteristics that are reflected in financial reports. And take advantage of it especially when it comes to making decisions, financial statements are valuable to a wide range of people because they provide information about an entity's financial position, profit or loss, and cash flows.

Therefore, many leading international professional organizations in the field of accounting regulation have been interested in researching and working to overcome this and for the purpose of providing the necessary accounting information to serve users. As a result, the International Accounting Standards Board (IASB) and the American Financial Accounting Standards Board (FASB) established Conceptual Standard No. (08) Issued in 2010 as part of a collaborative project between the two boards in order to make the content of financial reports more useful to users. The aforementioned standard identified two sets of qualitative characteristics of accounting information. The first includes the basic features, which are relevance and honest representation, where appropriateness consists of predictive value, confirmatory value, and relative importance. And honest representation includes completeness, impartiality and freedom from error. The second group includes the reinforcing qualities, which are comparability, verifiability, comprehension, and timeliness. Therefore, these characteristics can be used as criteria on which to evaluate the quality of accounting information in financial reports, and thus the usefulness of these reports in rationalizing decisions.

Therefore, it requires commercial banks to pay great attention to the process of preparing their financial statements and reports, as financial reports are the main outputs of their accounting system and one of the most important types of accounting reports, because they contain a comprehensive summary of financial events. And operations that occurred

during a specified period. Therefore, the accounting information system is critical to the development of these banks, as it is responsible for producing accounting information through their financial reports, which must include all accounting information and represent the financial position fairly, allowing users of these reports to rationalize their decision-making process.

Since accounting information is at the heart of users' decision-making processes, the management of commercial banks must be committed to achieving the highest possible level of qualitative characteristics in financial reporting data. As the importance of financial reports indicates the importance of the numbers contained therein, and that accounting information represents the cornerstone of users' decision-making processes, so it is necessary that this information have a set of qualitative characteristics that can be used and users rely on in making their decisions and they expect that the published and disclosed information They are reported in true, accurate, and reliable financial reports to help them make their decisions.

For this purpose, the thesis was divided into three chapters. The first and second chapters dealt with the theoretical part of the thesis. The first chapter deals with the qualitative characteristics of accounting information. It includes the conceptual framework of accounting, the concept of accounting information, the concept of qualitative characteristics of accounting information, limitations of the quality characteristics of accounting information, and quality standards. Accounting information. The second chapter dealt with the quality of financial reports, including the concept and importance of the quality of financial reports, the objectives of the quality of financial reports, types of financial reports, users of financial reports, factors affecting the quality of financial reports, and types of quality of financial reports. As for the third chapter, it included the practical side of the thesis, which includes data analysis, interpretation of results, and testing of hypotheses. Finally, the conclusion includes the results and recommendations, and a list of sources, references and appendices.

CHAPTER 1: THE QUALITATIVE CHARACTERISTICS OF ACCOUNTING INFORMATION

Accounting information is an important economic resource in the field of decision-making, such as investment decisions, supply decisions, production decisions, and others. Accounting information is one of the main outputs of the accounting system, so it must be characterized by the qualities and characteristics that determine its quality. The quality attributes of financial reports include those that make the information presented in them useful to the end user.

Where we note that the main objective of accounting and financial reports in the conceptual framework models for different countries focuses on providing useful accounting information for users to make economic decisions. Therefore, when providing accounting information that has qualitative characteristics, it is of interest to all parties to help them rationalize decisions (Al-Najjar, 2012: 19).

Therefore accounting information must be designed to meet the needs of the people who use it. Those who prepare and present the information must be unbiased, and users must be able to assess the reliability of the information and make comparisons with all other possibilities and past experiences to make decisions. In all cases, the information is more useful when it is emphasized in the economic content rather than the artistic form (Balkhui, 2009: 248).

The main focus of this chapter is on the qualitative characteristics of accounting information, and thus it presents the conceptual framework of accounting, the concept and characteristics of accounting information, and the limitations and standards of high quality attributes of accounting information in detail.

1.1. CONCEPTUAL FRAMEWORK OF ACCOUNTING

To develop a model of financial information, accounting and reporting that is based on the conceptual framework, those who use financial statements must have access to accurate and up-to-date information.

Financial accounting and financial statements fall under the umbrella of the term conceptual framework, which is used to describe a set of interrelated and overlapping objectives and fundamentals that can lead to unified standards. Given that the objectives define the purposes and objectives of accounting and that the basics represent the existing concepts behind accounting that guide the process of selecting the transactions, events and conditions for which they are accounted for, their objectives and means of measuring, summarizing and reporting them to the concerned authorities (Lutfi, 2008: 179).

A conceptual framework has been defined as a coherent system that includes an interconnected set of concepts related to the objectives and basics of science (Al-Shirazi, 1990: 153). Therefore, the conceptual framework project is a set of interrelated goals and foundations, where the goals define the goals and objectives of financial accounting, while the foundations are the basic concepts that help in achieving these goals (Al-Shami, 2009: 12). Figure (1.1) presents a presentation of the accounting theoretical framework, which consists of three levels as follows:

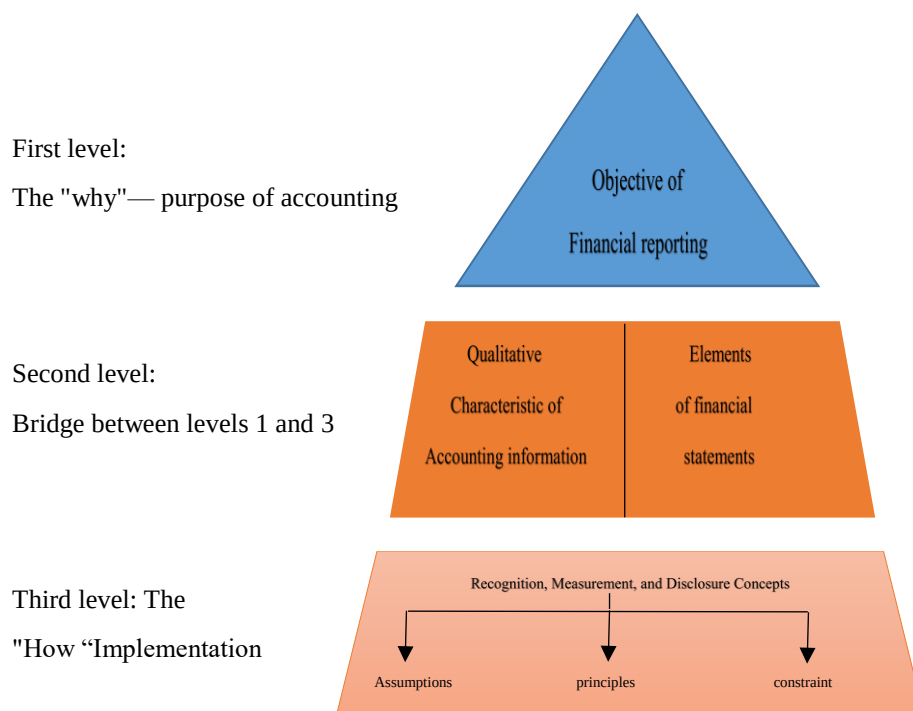


Figure 1.1. Conceptual Framework For Financial Reporting

Reference : Kieso, Weygandt, Warfield, 2013: 44.

1.1.1. The First Level: Basic Objectives: Financial Reporting

The first level is concerned with defining the accounting objectives that represent the cornerstone of the theoretical framework. The conceptual framework was built on the stated objective of the financial report. The objective of the framework defines the remaining features of the framework and the elements of financial statements, recognition, measurement and disclosure. In order to ensure that financial reporting reaches its goal, several parts of the framework are necessary.

The objective of a general purpose financial report is to provide current and potential investors, lenders, and other creditors with financial information that they can use to decide whether or not to contribute resources to a particular person or company. Options include making or settling loans and other forms of credit, as well as buying or selling stocks and debt instruments. It is possible that other parties, although they are not providers of capital, benefit from financial information besides providers of capital as well.

1.1.2. The Second Level: The Basic Concepts, Which Are Divided Into

Which Are Divided Into:

- Qualitative characteristics of financial information: that make accounting information useful.
- The basic elements of the financial statements: they include the definitions of the financial statements (assets, obligations ... etc.).

Conceptual building blocks are provided to describe the qualitative characteristics of accounting information and to identify the elements of financial statements. These two levels form a bridge between the first level and the third level.

1.1.3. The Third Level: The Approach To Recognition And Measurement

Explains the recognition and measurement concepts used by accountants when developing and applying accounting standards, which include the use of assumptions, principles, and determinants that describe the current financial reporting environment (Kieso, Weygandt, Warfield, 2013: 66).

1.2. THE CONCEPT OF ACCOUNTING INFORMATION

Accounting information is described as useful (meaningful) facts and figures and can be used to make management choices (Moskov, 2002: 23). That is, accounting information includes all quantitative and qualitative data about economic events that are processed and presented through accounting information systems in the financial statements submitted to external parties, as well as operations plans and reports used internally (Al-Hubaiti, & Al-Saqqa, 2003: 27).

Accounting information has also been defined as a set of processed data of a financial nature, which represents the link between those responsible for it (accountants) and users of this information (decision makers). It is a meaningful message and important news content related to the events and operations of the economic unit that helps users of financial statements in evaluating management performance and therefore future economic decisions and results (Al-Najjar, 2012: 12). It is a product of the accounting information system that has been fed by data recording and then processing and thus output in the form of financial reports, and its purpose is to serve as a management engine for use in managing its projects, and the effectiveness of management depends on the availability of this accounting information necessary for planning, direction and control (Al-Hali, 2009: 24). As the accounting information includes all the quantitative and qualitative data related to economic events that the accounting information system handles on the financial data submitted to external parties in the financial reports to reap its benefits from its use (Samah, 2015: 11).

From the previous definitions of accounting information, there is a discrepancy in views on the quality of accounting information with the difference in the goal of its production, as well as the type of decisions to be taken, whether internally or externally. Therefore, the accounting profession and its employees seek to increase the effectiveness of the main outputs of the accounting system, which is the accounting information, by increasing its efficiency, usefulness and effectiveness, and the integration of the various information disclosed and its appearance as a single unit. Attention is focused on the quality of the information and the qualities that it should have. Hence the idea of the characteristics (features) of accounting information called the qualitative characteristics of accounting information, and it was issued

for the first time in List No. 2 issued by the (Financial Accounting Standards Board) in 1980, which led to the achievement of the objectives of financial reports, in providing users and investors with information of expected interest. From cash flows as well as forecasting the performance of the unit and thus determining the value of the organization (Al-Shame, 2009: 14-15).

From the above conclude that the accounting information represents the final outputs of the accounting information system with its various sub-systems, which have been processed and presented in the financial statements and reports, to provide useful information that helps users of the financial statements, whether inside or outside the organization as a basis in the process of making various decisions.

1.3. THE CONCEPT OF QUALITATIVE CHARACTERISTICS OF ACCOUNTING INFORMATION

The qualitative characteristics of accounting information are an essential element of the theoretical framework of financial accounting and the second level of the theoretical framework of accounting, and it serves as a link between the objective of the financial report and the concepts of recognition and measurement on the one hand, and the characteristics of information on the other hand. They are also the qualities that make accounting information so useful (Al-Jawhar, 2011:11). For financial reports to be valuable to users and readers, they must be of a specific quality and contain the qualitative aspects of the information at a certain level (Al-Shirazi, 1990: 194).

The qualitative characteristics of accounting information mean the characteristics and features that make the information great value from the point of view of its users. This term is relatively recent and is generally used to distinguish between good accounting information (contributing to successful decision making) and poor accounting information, and therefore it has become necessary for financial report preparers to choose available accounting policies and alternatives that raise this value, which means that reporting is always closely related the decision-making process (Zaeton, 2013: 17).

The qualitative characteristics of accounting information are also known as the qualities that must be present in the information in order to make its reportable value impressive from the point of view of its users. Where information quality concepts are determined by the characteristics of useful accounting information or basic rules that must be used to evaluate the quality of accounting information. According to the conceptual framework of (IFRS), the basic qualitative characteristics of accounting information are: relevance and honest representation, while the characteristics of qualitative reinforcement of accounting information are: comparability, verifiability, timeliness, and understanding (Imad, Fatimah, & Suhail, 2020: 36-37).

Based on the foregoing, it can be concluded that the qualitative characteristics of accounting information are a set of qualities such as relevance, honest representation, comparability, verifiability, timeliness, and understanding, which the accounting information presented in financial reports must possess, in accordance with the conceptual framework of international standards for the preparation of Financial reports, to make them of great importance from the point of view of their users.

1.4. WHAT ARE THE QUALITATIVE CHARACTERISTICS OF ACCOUNTING INFORMATION

In order for reports and financial statements to be useful to readers and users, they must be of a certain quality and possess qualitative characteristics of the accounting information, meaning those main, secondary and subsidiary characteristics that must be characterized by the information. As the efficiency, effectiveness and quality of this information is in achieving the desired goals in performing its role in rationalization and decision-making (Al-Naqeeb, 2004: 292).

Setting accounting standards and preparing reports and financial statements using these main and secondary characteristics in consideration makes it easy to evaluate the accounting information that arises from the use of different accounting methods and to distinguish between what is necessary and what is not. This means that when it comes to the types and amounts of information that should be disclosed and how it should be presented, the optimal alternative for rationalization and decision-making must be determined before choosing an appropriate

accounting technique. This means providing useful information which is information that is able to satisfy the needs of its users and positively influence their decisions (Mohammed, 2006: 54).

Therefore, the qualitative aspects of accounting information are characteristics that enhance the usefulness and high quality of accounting information in financial reports (Jassim, 2020: 207). Statement No. (8) Issued by the International Accounting Standards Board (IASB) and the American Financial Accounting Standards Board (FASB) in 2010 entitled “Qualitative Characteristics of Accounting Information” is one of the most comprehensive and important research, and it still represents the first reference in evaluating and developing accounting practices. Where the qualitative characteristics were divided into two types (Al-Jajjawi, & Al-Obaidi, 2014:71). As shown in Figure 1.2.

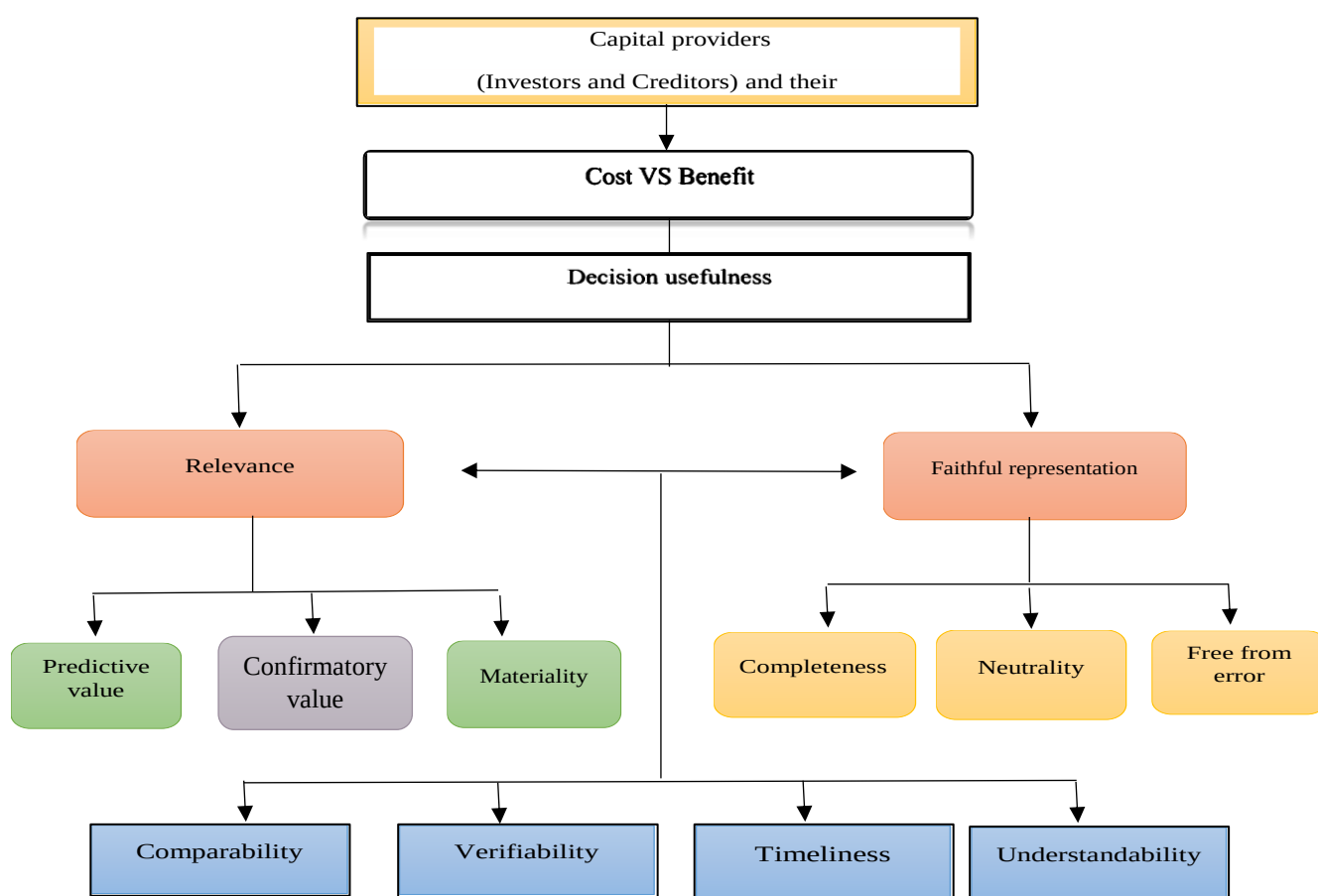


Figure1. 2. Hierarchy of The qualitative characteristics of accounting information

Reference: Kieso, Weygandt, &Warfield, 2013: 46.

1.4.1. Users Of Financial Reports

Each decision maker determines what information is useful, and this determination is influenced by a number of factors including the decision being made, the method used to make the decision, information previously obtained or obtained from other sources, the decision maker's ability to act and the information process. These characteristics suggest that managers and owners in small businesses or joint ventures may find some information in external financial reporting less useful than shareholders in companies with a limited number of publicly traded securities (Samah, 2015:30).

1.4.2. Cost-Benefit Constraint

That is, if the benefits of receiving information outweigh the costs of providing it, the (cost / benefit) test is valid, however there is no definitive criterion because it is a case-specific process (Abu Nassar, & Humaidat, 2008: 10). Where the benefits of information are greater than the cost of obtaining it, good information is the most useful information in the areas of rationalizing decisions. Cost-benefit tests differ from other commodities in that the costs of preparing financial information fall on the holders of the preparers, while the benefits accrue to both the preparers and users, and a standard setting body must do its best to meet the needs of society as a whole when it issues a standard that sacrifices one of these specifications is For other specifics, they should always be vigilant about the relationship between costs and benefits (Al Shami, 2009: 19).

1.4.3. Basic Qualitative Characteristics Of Accounting Information

It is the characteristics that must be available in the accounting information, otherwise it loses its importance and becomes unhelpful. It classifies the information (the most useful) from the information (The least useful) and it consists of the property of relevance and honest representation, with some other sub-characteristics separated from it (Kieso, et al., 2012: 48). It consists of the following components:

1.4.3.1. Property (Interest) The Decision Maker's Benefit

That is, the benefits obtained from the information should exceed the cost incurred in providing this information, and there is no fixed standard for testing (cost / benefit), for all cases because it is a case-by-case discretionary process (Abu Nassar, & Hemeidat, 2008: 10). The benefit to the decision maker is related to the usefulness of the accounting information in the decision-making process, and the criterion of the usefulness or usefulness of the information is at the top of the pyramid for the qualitative features of accounting information in general. Since it is always necessary to determine which alternative provides the most useful information for decision-making purposes, it is by these characteristics that the best (most useful) information is distinguished from the least (less useful) information for decision-making. The benefit of accounting information is also achieved by reducing the uncertainty of decision makers and increasing the degree of their knowledge. Therefore the information provided must be understood by the decision maker (Al Shami, 2009: 19).

1.4.3.2. Relevance

Financial information is appropriate when it has the ability to influence the actions of users and is characterized by predictive and confirmatory value, or both predictive and confirmatory value. Relevancy also refers to the ability of accounting information to influence people by changing or confirming their expectations about the outcomes of actions and events (Belkhaui, 2009: 274). Whereas, the American Financial Accounting Standards Committee (FASB) defines appropriateness as that information that is able to make a difference in a decision by helping users to make predictions of future results or to reinforce or correct previous predictions, and accounting information can be appropriate through its impact on understanding, goals, and decisions (Hamidi, 2009: 41).

As a result, relevance is one of the basic characteristics of useful accounting information, as it has a significant impact on decisions that can be taken through appropriate description and information about income and financial position. Influencing the economic decisions they make (Al-Iskaf, & Shaheed, 2018: 252). Relevancy is also one of the most important characteristics of information that must be available and presented to investment and

management decision makers at the internal and external levels (Imad, Fatima, & Suhail, 2020: 37). The following sub-properties are the constituents of the relevance characteristic:

- **Predictive value:** When financial data is entered into operations with the aim of predicting future results, it must have an accurate predictive value about the future because the user desperately needs information as close to reality as possible. This is because accurate predictions allow you to keep track of how things are going and correct problems as soon as they arise. Thus, financial information has a predictive value if it gives a strong indication and has the ability to help the decision maker in anticipating the expected results in the future (Al-Jajjawi, & Al-Obaidi, 2014: 72). In order to avoid the occurrence of potential losses or to increase the accuracy of the provisions that must be made for the future to face the possibility of a decrease in assets or an increase in liabilities or both. As well as paying attention to the ability of predictive information, according to the different methods and tools of accounting measurement, requires the adoption of different accounting policies that contribute to creating the predictive ability of that accounting information better. An example is the use of the current prices method for measuring fixed assets instead of the historical cost method, as well as the market or average prices method instead of the first-in-first-out (FIFO) method for out-of-store pricing (Al- Naqeeb, 2004: 90).
- **Confirmatory value:** It aims to enable the decision maker to reinforce existing expectations, or to make a change in them, and to evaluate the consequences of previous decisions (Essa, 2017: 64). Since the information has a certain value if it can (confirm or change) previous assessments, and there is a relationship between the predictive and confirmatory value of the financial information, this information, for example, can be used revenue forecasts for this year as a starting point for forecasting next year's revenues, or also compared to forecasts Revenues of previous years. The user can make use of these comparisons to correct and improve the procedures that were used to prepare previous forecasts (Al-Jajjawi, & Al-Obaidi, 2014: 72).
- **Materiality:** Financial information is considered material if its omission or misrepresentation affects the decisions made by users of financial reports (Essa, 2017: 64). If omitting or misrepresenting information influences decisions made by users, this

information is of relative importance. In other words, materiality is one aspect of relevance and depends on the nature or size of the item or both, and this characteristic plays an important role as a criterion for determining the information to be disclosed that affects the decision maker (Al-Jajjawi, & Al-Obaidi, 2014: 72).

1.4.3.3. Faithful Representation

Honest representation means that the accounting numbers and descriptions are reconciled and agreed upon on the one hand, and the resources and events that these numbers and descriptions usually depict on the other hand (Essa, 2017: 64). It is the most important factor in determining whether the measurement or description accurately depicts the economic event or object for which the measurement or description is used, and indicates that the data and phenomena being reported are very similar. In order to achieve an honest representation of financial information, it is done when the information contained in the financial reports matches the accounting events that they represented honestly and fairly. Honest representation of information is also achieved when the information is unbiased and users of the information are confident that useful and necessary information will not be omitted and disclosed for decision-making purposes (Imad, Fatima, & Suhail, 2020: 37-38).

Since financial reports reflect economic phenomena in the form of words and figures, to be useful, such reports must not only be appropriate, but must faithfully represent the phenomena to be presented. That is, there is a high degree between the information and the phenomena to be reported, and this characteristic is related to the accounting measurement theory, where the measurement must be free of bias (Al-Jajjawi, & Al-Obaidi, 2014:73).

For a completely correct representation of accounting information it must have the following secondary features:

- **Completeness:** In the sense that all necessary information is available for an honest representation. As deletion of any part of the data can cause the information to become false or misleading, and be unhelpful to users of financial reports (Kieso, Weygandt, & Warfield, 2013: 49). To be considered, the data in financial reports must be complete to the extent that materiality considerations allow, and without excluding information that could influence users' decisions (Al-Jajjawi, & Al-Obaidi, 2014: 73).

- **Neutrality:** It means that the financial statements are not prepared and presented to serve a party or a specific entity for users of financial information at the expense of other parties, or to achieve a specific purpose or objective, or rather for public use and without bias, and that the process of obtaining information and not preparing it intentionally does not affect one user without another. (Essa, 2017: 65).

Therefore, the accounting information has the character of neutrality if it is free from bias by measuring or presenting the results in a way that does not outweigh the interest of a particular category of users of financial statements over other categories. This does not mean that the information has no effect on user behaviors, but rather that the goal is to avoid bias that seeks to influence user behavior in a particular way. Therefore, it means preparing general-purpose financial statements and providing comprehensive accounting information to take into account the needs of all parties who use accounting information and not to favor one party at the expense of another (Mohammed, 2006: 61).

- **Free from error:** By this we mean that the phenomena have been accurately described and explained, and that the methods used to collect the information have been properly selected and applied (Essa, 2017: 65). So that the accounting information must be accurate in the sense that the information expresses the event or situation as it is (Al-Jajjawi, & Al-Obaidi, 2014: 73).

1.4.4. The Qualitative Characteristics Of Enhancing Accounting Information

These characteristics include comparability, verifiability, appropriate timing and ability to understand (Al-Jajjawi, & Al-Obaidi, 2014: 73).

1.4.4.1. Comparability

Refers to the ability to compare the financial statements of a certain period with the financial statements of a previous period for the same company, or to compare the financial statements of certain facilities with the current lists of other companies, and this is done by users of financial statements for the purpose of making investment and financing decisions or determining the financial position and financial performance of the company. We note that achieving the desired goal of this feature requires a comparison between similar institutions in

a particular sector that apply similar accounting procedures and similar measurement concepts, which makes the comparison process useful (Al-Jajawi, & Al-Obaidi, 2014: 73).

Useful information can be obtained from including this feature, which allows the user to know how his unit is performing compared to the performance of other units during a specified period of time, as well as how they differ from each other. Also, one of the most important aspects of the comparative feature is informing users of the accounting policies used in preparing the financial statements and any changes in these policies and the impact of these changes (Jerboa, & Helles, 2002: 11).

1.4.4.2. Verifiability

Verifiability means that the accounting measurement is objective, and free from the personal bias of the measurer (Essa, 2017: 65). This concept is achieved when a high degree of agreement occurs between a numbers of measuring individuals who use the same measurement method, as if a number of independent auditors reach the same conclusion regarding a number of financial statements. If external parties using the same measurement methods reach different results, The financial statements when they are not verifiable and the auditors (auditors) cannot express their opinion on them(Kieso,Weygand,&Warfiled,2013:70).

It should be noted that the measurements prepared on the basis of historical cost can be verified more than those prepared on the basis of current cost, because the first is based on the principle of accounting verification, which requires not recognizing any expenditure or income until it has already been achieved (Mohammed, 2006: 60).

1.4.4.3. Timeliness

Accounting information is not appropriate unless it is provided in a timely manner. This means that for accounting information to be relevant to decision makers, it must be available to them in time before it loses its ability to influence their decisions. The timing of preparation and publication of financial statements is therefore an important consideration for preparers of financial statements in order to ensure that current information is transmitted to users in a timely manner. Until a change in the company's financial position is seen, submitting financial statements on a regular basis is also an effective timing strategy. It also becomes

necessary to prepare the financial statements on shorter periods when the annual financial statements prepared at the end of each financial year do not provide sufficient information to users. Every half a year or every three months for example (Ismail and Rayan, 2012: 293).

With regard to the periodic financial reports published by the entity, there are two aspects of the timing characteristic which are:

- ***The first:*** Periodicity of the report: It means the length or shortness of the period of time for which it is necessary to prepare reports. Hence the need to submit interim reports for short quarterly or semi-annual periodic periods, and in the era of information technology, the demands for a monthly periodicity began to abound, in addition to the traditional annual financial reports.
- ***The second:*** The period that elapses between the end of the financial cycle for which the reports are prepared and the date those reports are published and made available for trading, and this period is usually within the first four months after the end of the period. The fiscal year, and some companies submit their reports during the first month (Hanan, 2009: 73).

1.4.4.4. Understandability

The ability of financial reporting information to be assimilated by users is one of the essential qualities, and users are assumed to have some basic knowledge of business and accounting and economic processes and a willingness to analyze the information with acceptable care (Juma et al., 2007: 18-19). The decision maker must be able to understand the information, depending on the experience and expertise of both the person preparing the information and the person using it. That is, the information should be easily understood by its users, so it is assumed that users of financial information possess a reasonable level of knowledge and awareness that enables them to understand the information and evaluate its usefulness. It is therefore understandable, which means that the data is free of ambiguity, which facilitates understanding and benefit from it (Abbas, 2013: 9). Therefore, this characteristic mainly depends on two important indicators:

- The degree to which information is presented in a clear, simple and transparent manner.

- Amount of knowledge, awareness and understanding of information users (Al- Naqeeb, 2004: 297).

Based on the foregoing, the following procedures contribute to the possibility of understanding the accounting information, which is the classification of the data into groups that are meaningful for those who use it, the use of clear-meaning and easy-to-understand titles, the setting of interrelated data against each other, and the provision of figures indicating the indicators that the user usually wants to know. Thus, the information becomes enjoyable in its ability to be understood and useful (Mohammed, 2006, 65).

Through FASB's ranking of priorities, qualitative characteristics focus on the ability of accounting information to influence users' decisions and to benefit the investor in making predictions related to investment risks. The decision-maker was also able to compare between the available alternatives to choose the optimal alternative based on scientific foundations and facts that benefit the comparison, and it turns out that providing the appropriate information for decision-making requires a large degree of experience in understanding and using it (Al-Jajawi and Al-Obaidi, 2014: 74).

1.4.5. Limitations Of The Quality Characteristics Of Accounting Information

In order to provide information with qualitative characteristics that make it useful, it must pass through four restrictions, which are (Ali, 2011: 104).

1.4.5.1. The Relative Importance Of The Information

Information is important if there is a reasonable expectation that knowledge of this information or its effect on measurement and evaluation results could influence the decisions of users of the financial statements. The importance of a particular element is a relative matter, so what is important to one organization may not be important to another. The importance of an element depends not only on its quantity but also on its nature and its relationship to the rest of the elements.

1.4.5.2. The Relationship Between The Cost Of Information And The Expected Benefit From It

Information is a commodity like any other commodity in that its value must exceed the cost for this information to be desirable. The costs of information are the costs of data collection and review, as well as the costs of publishing and analyzing it. As for its benefit, it is represented in the ability of information to improve the decision-making process. Therefore, when producing or obtaining more information, the criterion of the cost of this information and the expected benefit from it must be taken into account. When preparing financial statements for external purposes, there is a restriction governing the accountant's behavior in this regard, which is the necessity to analyze the relationship between the cost of more information and the expected benefit from it. In general, analyzing such a relationship is considered difficult, because it is difficult to measure information costs, but it is difficult in many cases to measure the expected benefit from it because it is difficult to express it quantitatively.

1.4.5.3. Reservation When Conducting Accounting Measurement And Evaluation

According to this restriction, the accountant must be more careful and cautious when measuring the result of the business and evaluating the elements of the financial position. Conservation is usually of great importance when matters involve personal estimates and judgments. In such cases, the accountant's estimates must depend on sound logic and choose accounting methods that do not lead to an expected loss, it must be taken into account. A practical example of the concept of conservatism in accounting is the valuation of the commodity stock at less than the cost or market price. This concept requires caution and caution to ensure that profits are not exaggerated or in improving the financial position. It is obvious that caution and caution should not be exaggerated, as it is not necessary to deliberately reduce income or affect the financial position in a way that leads to misunderstanding or negative impact on users of accounting information (Ali, 2011: 104).

1.4.5.4. Responding To Practice Norms

In some specialized areas it may be difficult to apply some generally accepted accounting principles due to their special nature. A common example in this regard is what is

followed in banks, where investments are made in securities (stocks and bonds) according to their commercial value (i.e. the market selling price) at the end of the year (accounting period), and this is a departure from the principle of historical cost and a departure from the principle of recognition Revenue on sale (Nashnish, 2009: 8-9).

1.4.6. Standards For The Quality Of Accounting Information

There are several criteria for measuring the quality of accounting information, which can be generally defined as follows:

1.4.6.1. Accuracy As a Measure Of The Quality Of Accounting Information

The quality of information can be expressed by the degree of accuracy with which the information is characterized, that is, the degree to which the information represents the past, present and future. There is no doubt that the higher the accuracy of the information, the higher its quality and value in expressing historical facts or future expectations. Despite the importance of this measure in expressing the quality of information, it cannot be achieved because the information on which the decision is based involves the future and is therefore of a degree of uncertainty. Accuracy is often sacrificed when providing information that is relevant to decision making.

1.4.6.2. Utility As a Measure Of The Quality Of Accounting Information

It consists of two components: the validity of the information and the ease of use of it. The feature can take one of the following forms: (Al-Fadl and Nour, 2002: 306).

- ***Formal utility:*** It means that the more the form and content of the information matches the requirements of the decision maker, the more valuable this information will be.
- ***Time benefit:*** The higher the value of the information, the more easily it can be obtained. Hence, direct contact with a computer, for example, increases the temporal and spatial usefulness of the information.
- ***Evaluative and corrective benefit:*** It means increasing the ability of information to evaluate the results of implementing decisions, as well as its ability to correct deviations in these results.

1.4.6.3. Effectiveness As a Measure Of The Quality Of Accounting Information

Effectiveness expresses the extent to which the organization achieves its goals through specific resources, and accordingly, the quality of information can be defined from the angle of effectiveness as the degree to which the information meets what the organization or decision-maker aspires to achieve and reach using the limited resources available to it. Thus, effectiveness is a good way to measure the quality of information.

1.4.6.4. Forecasting As a Measure Of The Quality Of Accounting Information

It is the prediction of future events and outcomes using historical data and current information. These forecasts are then used in future planning and decision-making processes. Certainly, the quality of information is its predictive ability and the reduction of uncertainty when used as inputs to forecasting models such as financial position forecasting models or as inputs to test models among alternatives for managerial decisions.

1.4.6.5. Efficiency As a Measure Of The Quality Of Accounting Information

Efficiency is the achievement of the organization's goals using the least amount of resources possible. In order to maximize the quality of information, the lowest level of expenditures is required as much as possible in order to raise the value of the information, and that is through the application of the principle of economics to information systems (Al-Fadl, and Nour, 2002: 306).

CHAPTER 2. THE QUALITY OF FINANCIAL REPORTING

Financial reports are the primary means of knowing the financial position of the organization and downloading its results over the successive years by those interested in the status of those organizations in order to make rational decisions due to the diversity and importance of the information contained in these reports.

The information contained in the financial reports is of great importance to identifying the performance of organizations, measuring their financial position, the change in the rights of the owners, identifying the incoming and outgoing cash flows from the organization, knowing its revenues and expenses, and reviewing the overall profit. The financial reports also include a summary of the financial operations and events that occurred during the financial period. In order for this information to perform its task efficiently and effectively, it is necessary that these reports reach the users and beneficiaries with ease and ease, and that the reader is able to understand and use them, and be characterized by basic qualitative characteristics that can be relied upon to make decisions.

Therefore, it has become necessary for accountants and related parties to abide by the regulations and standards issued by international organizations and bodies when preparing financial reports, in order to restore confidence and credibility of the information contained in the financial reports to users of them.

In this chapter, deals with the concept, importance, objectives and types of the quality of financial reports, in addition to the users of financial reports, and the factors affecting the quality of financial reports.

2.1. THE CONCEPT OF QUALITY FINANCIAL REPORTING

The accounting information that is provided by accountants to be presented to their users varies according to the nature of the accounting unit and the needs of these users. However, the presentation of accounting information is usually done through periodic reports called financial reports (Al-Naghi, 2007:111). As the financial reports are a means of communication between the institution and the outside world and a means of communicating

the information prepared by the institution to the beneficiaries, so that the financial reports include all the information expressing the business results that the institution must submit periodically, whether in the form of financial statements or other forms (Samah, 2015: 41).

The quality of financial reports is defined as providing information that accurately and completely expresses the performance of the enterprise and its financial position in a way that reflects the economic reality of the enterprise, which supports its benefit to decision-makers in the decision-making process (Abdul Hamid, 2012: 9).

The quality of financial reports was also defined as the accuracy in transmitting information related to the operations of the institution, which is the expected cash flows from those operations, and the extent to which investors benefit from that information. Where the financial reports must reflect the quality of the financial information completely and transparently in order not to mislead or distort that information provided to investors that helps them in making decisions (Al-Samarrai, 2016: 33).

The quality in financial reports is also defined as the credibility of the accounting and financial information it contains and the benefit achieved for users. To achieve this, it must be free from material misrepresentations and misinformation, and to be prepared on the basis of a set of legal, regulatory, professional and technical standards to achieve the objective of its use regarding the preparation, issuance and review of financial reports in accordance with professional standards and regulatory requirements (Al-Rahman, 2019: 51).

Thus, the quality of financial reports means that they are financial reports prepared in accordance with international accounting standards in all transparency and objectivity to ensure the provision of reliable and appropriate information to users of financial reports on the financial position and cash flows of the company. The quality of financial reports is one of the characteristics of the accounting information contained in those reports or basic rules which should be used to evaluate the quality of accounting information (AL Saeeda, 2020: 27).

Noted from the foregoing that the concept of quality in reports in general means that the information is free from errors, distortion, forgery and fraud and put realistically and without exaggeration. And misleading and to prepare according to a set of legal, regulatory,

professional and technical standards, in order to achieve the purpose of its use (Khairallah, 2021: 57). Also, the quality of accounting information lies in its ability to be of value to economic decision-makers by providing them with information that motivates them to take decisions that achieve the objectives of those entities and reduces the possibilities of uncertainty associated with making such decisions (Samah, 2015: 60-61).

Thus, can say that the purpose of the quality of financial reports is to deliver accurate, reliable, objective and appropriate accounting information to its users inside and outside the organization at the end of the year or at regular intervals, each according to his need to assist them in making rational economic decisions.

2.2. THE IMPORTANCE OF QUALITY FINANCIAL REPORTING

Financial reports are a communication process through which the company translates the events that affect its financial position and its affairs so as to provide users with important information about its financial position, as the information contained in the financial reports is the cornerstone on which the users of those reports build their decisions. The importance of the quality of financial reports is due to the importance of the role played by the information contained in those reports, as the report on high-quality information (characterized by completeness of content and transparency) helps to reduce the asymmetry of information between management and decision-makers, especially investors, whereby the management of the facility, by virtue of its position, can access all information that it needs to make its own decisions (Abu Baker, 2020: 70).

Financial reports also play an important role in providing the interested parties of the facility, including investors, creditors and auditors, with important information about the performance of the facility, as well as the administration that is interested in the final product of accounting (financial reports) in order to make their decisions. Therefore, the accounting system is designed in a manner that takes into account the importance and role of those reports for various parties, where the information provided must be characterized by qualitative characteristics to achieve the desired goal, and all information that has no benefit becomes a burden on the bearer, misleading and requires additional costs, while the useful information makes all parties interested in it tend to increase the demand for it, which increases the

importance and characteristics of The information provided by the facility, which is reflected in its competitive position in the market, Moreover, this information must be documented so that it can be referenced at any time (AL Saeeda, 2020: 28-29).The importance of the quality of financial reports is as follows:

- Financial reports help to obtain high quality information.
- It works to reduce the asymmetry of information between management and decision makers, especially investors.
- It helps in the optimal allocation of resources by clarifying those opportunities that create value and thus increase the efficiency of the money market and increase economic growth.
- It helps reduce the cost of capital by reducing the uncertainty surrounding the risks and returns of investments.
- The quality of the financial reports will positively affect the confidence of the beneficiaries in them, and this will lead to an increase in their dependence on the financial information they contain in making their economic decisions related to the unit.
- It will also positively affect investors' decisions related to pumping their investments in various investment fields, in lending, and in distributing their available resources, which will ultimately lead to an increase in the general efficiency of the market.
- Its main role is to transfer and communicate financial information to the beneficiary parties in a correct and timely manner.
- Good information is the lifeblood of strong, active markets. Without it, investor confidence deteriorates, investments stop, and markets where justice and efficiency prevail (Omar, 2020: 62-63).

From the foregoing, conclude that the importance of the quality of financial reports is the extent to which transparency is provided and accounting information is credible, reliable and appropriate to its users, protect their interests, and rationalize their decisions.

2.3. FINANCIAL REPORTING QUALITY OBJECTIVES

The main objective of financial reports is to provide high-quality information useful for economic decision-making, as defining the objectives of financial reports is the starting point for applying the approach of the usefulness of accounting information in making rational economic decisions. Financial reports are the final product of financial accounting. Financial reports are the primary means of communication Between the management and all other parties interested in the company's activities, through financial reports, other parties interested in the company's activities can learn about the financial position, performance and cash flows of the company, so many scientific and professional organizations and organizations have been interested in determining the objectives of financial reports, Whereas, the American Accounting Standards Board issued the list of concepts No. (1) In November 1978, which is concerned with the objectives of financial reporting for commercial establishments, and these objectives were as follows: (AL Saeeda, 2020: 32).

2.3.1. General Objectives

It should contain the following information:

- Providing information that is useful in rationalizing investment and credit decisions.
- Providing information that is useful in estimating cash flows.
- Providing information related to the facility's resources and obligations and changes in those resources and obligations.

2.3.2. Detailed Objectives

They must contain the following information:

- Providing information that is useful in evaluating the performance of the establishment and determining its profits.
- Providing information that is useful in determining the degree of liquidity, insolvency and money flow.
- Providing information that is indicated in the report on the responsibility of the administration and evaluating the efficiency of its performance (Al Shirazi, 1990:173).

Based on the foregoing, noted that the information contained in the financial reports varies according to the different activities and scope of work of the companies submitting the financial reports, and arises mainly from the needs of their external users, who are often based on the information provided by the management in the financial reports, and that any manipulation in the truth of that information can be influences their future investment decisions.

2.4. TYPES OF FINANCIAL REPORTS

The financial reports issued by companies are the main source for providing information to all users in order to assist them in making economic decisions, where the information is presented within the financial reports, so the financial reports are an effective means of communication between companies and parties interested in its activity, where these related parties are enabled through these reports Identify the main elements affecting its financial position and the results it achieved during a certain period, in addition to containing other information that is not recorded in the accounting books. The types of financial reports are:

2.4.1. Statement Of Financial Position

A balance sheet is a document designed to show the state of affairs of an entity at a particular date. (Alexander, & Nobes, 2007:95). The statement of financial position is also defined as a statement of the assets of the economic institution on the one hand and its liabilities on the other hand, at the beginning or end of a certain period of time (Al Kubaisi, 2003: 42).

It is a summary that includes debit and credit balances. It shows the assets, liabilities, and property rights of the institution on a specific date. It shows the financial position of the institution on a specific date, as it briefly or summary shows the sources of funds and how they are used. The assets side shows the sources of funds and the liabilities side shows the institution's uses of these funds and their distribution on the different types of assets (Khairallah, 2021: 68).

From the above appear that the statement of financial position is a statement of the balances of the assets, obligations and equity of the institution on a specific date.

2.4.2. Income Statement

The income statement is one of the financial statements prepared by companies, and it is a list through which the results of the company's business during a specified period of time are presented.

The income statement was defined as a financial statement that shows the result of the establishment's business, from profit or loss, in a specific period of time, by matching the revenues and expenses for that period (Hanan, & Al-Baldaui, 2009: 363).

The income statement reports a company's profit during a particular reporting period. Profit equals revenues and gains minus expenses and losses. A few types of gains and losses are excluded from the income statement but are included in the broader concept of comprehensive income. We refer to these other gains and losses as other comprehensive income (OCI). (Spice Land, Nelson, & Thomas, 2017:164).

The objective of preparing the income statement is to show the net result of the activity at the end of the financial period, whether it is a net profit or a net loss, then it aims to know and measure the extent of the project's success during a certain period in exploiting the available resources to achieve profits (Al-Dahrawi, & Hilal, 1999: 47). Financial analysts have been interested in the income statement due to its importance in showing the enterprise's earning ability and the extent of its continuity in achieving these profits. Investors have also been interested in it to determine the return from their investments, as well as creditors and banks to determine the facility's ability to pay its obligations, whether short-term or long-term (Radi, 2015: 15).

From the above, it can be said that the income statement is a statement of the company's revenues during a certain period of time and the expenses incurred by the company in order to obtain these revenues during the same period, to show in the end the net result, which is either a profit or a loss.

2.4.3. Statement Of Retained Earnings

The list of retained earnings represents a comprehensive depiction of any changes that may occur in profits during the period prepared for it, so that it is a means of disclosing the changes that occur in the balance of retained earnings at the beginning of the period up to the balance of retained earnings at the end of the period (Radi, 2015: 20-21).

This list is considered one of the financial statements that must be issued annually. The retained earnings list is a comprehensive depiction of the changes that occurred in profits during the financial year in terms of:

- Adjustments made to the balance of the beginning of the fiscal year to correct accounting errors that occurred in previous years.
- Annual additions or deductions related to the income generated from economic activity during the fiscal year.
- Annual distributions of income in the form of profits as withdrawals paid to equity during the year.
- Annual transfers from and to the retained earnings account related to legal precautions or established in accordance with the decisions of the establishment (Antar, 2020: 64).

2.4.4. Statement Of Cash Flows

It is defined as a list that shows the movement of cash flows during a certain period, whether they are cash inflows or cash outflows (Al-Rawi, 2001: 41). The statement of cash flows is also defined as one of the financial statements prepared by the corporation for the accounting period that provides a summary of the cash receipts and payments for this period, and also gives a picture of the corporation's activities in the field of investment and financing (Ali, 2004: 86).

Therefore, the cash flow statement is one of the basic lists that provides information that the income statement and the statement of financial position do not provide. It provides information on each cash item and provides clear answers about its sources and uses and the amount of change that occurred during the financial period, in addition to enabling investors and creditors and other users of cash analysis and estimate the value of future flows.

According to the International Accounting Standard No. 7 issued by (IASB), it requires classifying and classifying cash receipts and payments into three basic activities as follows:

2.4.4.1. Cash Flows From Operating Activities

These include cash receipts resulting from the sale of goods and services, debt collection, bills of exchange, investment returns in securities, and payments for goods sold and services provided by customers.

2.4.4.2. Cash Flows From Investment Activity

These include proceeds from the sale of investments in securities or the sale of other assets, and payments for increased investment in securities.

2.4.4.3. Cash Flows From Financing Activity

It includes proceeds from the issuance of shares and bonds or any other sources of financing, and payments in the form of dividends or refunding part of the property rights to their owners (Khairallah, 2021: 70).

2.4.5. List Of Accounting Policies And Notes Complementing The Financial Statements

The accompanying notes to the financial statements are an integral part of them, as they are of great importance in helping to understand the financial statements, and clarifying information that is difficult to include in those lists. Among these explanations are the following: (Youssef, 1993: 82).

- The accounting methods and policies that have been approved for the preparation of the financial statements, such as the changes that occur in them, with a statement of the reasons that necessitated those changes.
- The rights of third parties in the company's assets and their arrangement according to its priorities.
- Clarify the restrictions related to dividend distributions to shareholders.
- A description of the relationship of the company and the other parties, and any contracts entered into by those parties.

- The nature of events subsequent to the balance sheet date and their financial impact.

These multiple contents that fall with the financial statements combined gave these reports more comprehensiveness than the financial statements. When producing the information contained in the financial statements, it requires adherence to the theoretical (conceptual) framework of accounting and the generally accepted accounting rules. As for the financial reports, they are in addition to containing the components of the lists. Financial, as it contains additional lists and statements that contain financial and non-financial information, and it is not required that this previous information be subject to the controls imposed by the theoretical (conceptual) accounting framework or the generally accepted accounting rules. It should be noted that there is no specific model for these reports, however, the international accounting standards stipulate certain disclosures that must appear in the heart of the financial statements, while there are disclosures and clarifications about the accounting information that is disclosed within the annexes of the financial statements. These clarifications include:

- Presenting the basis for preparing the financial statements, such as the accounting policies adopted and used in dealing with transactions such as important financial events.
- Data to be disclosed in accordance with international accounting standards, which are displayed on the face of the financial statements.
- Any additional data or information, especially those that were not presented in the main financial statements and that must be disclosed to give a complete picture of the financial statements (Abdul-Rahman, 2020: 132-133).

From the foregoing, concludes that the list of accounting policies and the clarifications complementing the financial statements contribute to increasing the presentation of accounting information and are complementary to the financial statements and explaining many of the elements contained therein.

2.4.6. Board Of Director's Report

The board of directors gives the shareholders a general idea of the institution's activities during a certain period of time. The report includes information about the production, the

financial and marketing position of the institution, information about the volume, growth and development of sales, the projects that the institution has accomplished during the year and what it intends to accomplish in the next year and some supplementary information that may be It is needed by users of financial reports (Hanan, 2016: 45). As well as a description of the company's main activities and its subsidiaries, the nature of its work, capital investments, number of employees, organizational structure, degree of dependence on suppliers, analysis of financial position results, business results of the facility during the year and information on the future performance of the facility (Antar, 2020: 66).

The report of the Board of Directors in this sense does not contain sufficient financial information that can be relied upon by the financial analyst, investors, creditors and others, and the information contained in it is not subject to the audit of the auditor. Economic decisions, as well as the role of management and its responsibility for the accuracy and integrity of the financial statements, the company's liquidity, its financing sources, and the results of its work. Preparing the financial statements (Al Saeeda, 2020: 32).The information presented in the Board of Directors' report includes:

- Non-material events such as changes that occurred during the year that affected the company's operations.
- Outlook for the company's future.
- Future plans regarding growth and changes in operations in future periods.
- The magnitude and impact of current and projected capital expenditures and research effort (Al-Khatib, 2002: 10).

2.4.7. Auditor's Report

One of the components of the financial reports that are published and submitted to users is the reports issued by the auditor, where the auditor's report is a written summary in which the auditor expresses his neutral technical opinion about the validity of the data contained in the company's financial statements, which is relied upon in making economic decisions and directs this report To the parties related to the company (Al-Matarna, 2006: 114).

Where the auditor discloses the result of his examination of the financial statements in terms of the accuracy of the information contained therein and the extent to which they represent the reality of the institution for a certain period of time. In addition, the auditor expresses his opinion on the extent to which the preparation of financial statements comply with international accounting principles and standards. Accordingly, users can trust and rely on the published reports based on the report submitted by the external auditor as a neutral party in the organization (Hanan, 2016: 45).

Thus, the auditor's report is one of the sources of important information. The auditor is a professional person who performs an independent examination of the accounting data provided by the facility. If the auditor is convinced that the financial statements of the facility express honestly and fairly the financial position on the date of their preparation, business results and cash flows for the year ending on the date. The same, so he issues an conservative or positive opinion. There is no doubt that the positive or unqualified auditor's report is evidence of the truthfulness and fairness of the information contained in the financial statements, which ultimately leads to the financial analyst's reassurance to use this information for the purpose of financial analysis (Abu Bakr, 2020: 16).

Therefore, the concept of financial reports is broader and more comprehensive than the concept of financial statements, and that the financial statements are one of the components of the company's financial report, in addition to being the core of the financial reporting process along with other components of financial reports that help in presenting the information properly.

2.5. USERS OF FINANCIAL REPORTS

Meeting the needs of users of financial reports for accounting information is one of the most complex matters in accounting. On the one hand, they have a wide range of conflicting interests, and on the other hand, the need and type of information varies according to the choices faced by the user of this information, as each user of them has a specific goal of analyzing and interpreting financial reports. And accounting information, there are those who aim to know and determine the results of the work that took place in the past, and some of them

mainly want to base estimates or future plans on them in order to compare between the available alternatives (Matar, 2007: 48).

Users of financial reports are classified according to several considerations, such as their direct or indirect relationship with the institution, their objectives (investment or lending), or according to their nature (internal or external), and these financial reports are used to satisfy their information needs, and we will now try to classify them according to their nature as follows:

2.5.1. Management Of The Facility

The management of the facility is concerned with the financial statements as a report on the financial position and business results presented to the shareholders and thus is considered evidence of its efficiency in performing its functions. Prepared on sound accounting bases that represent the financial history of the facility, its analysis and interpretation help to know the pros and cons that led to the image disclosed by the statements, and the management of the facility uses the information of the financial statements in the process of financial analysis, which provides indicators that help the management in controlling and following up on its work and making appropriate decisions (Al-Hasbi, 1998: 122-123).

2.5.2. Existing And Prospective Shareholders

The current shareholders are those who have actually invested their money in the company's shares and have the right of ownership in it. He benefits from the financial reports to take the decision to sell or preserve the shares. A picture of profits, where the current shareholders need the information provided by the financial statements to help them in making decisions, and the most important information is the earnings per share, and the company's financial performance. As for potential shareholders, they are those who seek to make a decision to buy or not purchase an equity right in a particular facility. For the purpose of studying the possibility of investing their money, potential investors in the company's shares need a lot of information, especially the current and expected return on the share, the company's financial performance and its financial position (Khairallah, 2021: 72).

2.5.3. Lenders

They are the group of banks and financial institutions that manage the current and future financing needs of the project. This category needs information about the sources and uses of cash and other liquid funds that help them assess the project's ability to convert its profits into cash flows and know the financial extent of these flows.

2.5.4. Suppliers

They provide goods and services to the facility as a result of their expectations of getting cash in exchange for what they provide, which is what makes them interested in information that enables them to know the financial ability of the institution to meet their obligations (Mousa, 2018: 55).

2.5.5. Governmental Agencies

The state ensures that the institution respects the application of its laws through its organs of tax administration, social protection and others, using the information contained in the submitted reports.

2.5.6. Others

There are a number of other users of financial reports, such as the press, research centers, government associations, financial statement analysts, stockbrokers, professional bodies and issuers of accounting standards ... etc. (Al-Sharif et al, 2000: 27).

2.6. FACTORS AFFECTING THE QUALITY OF FINANCIAL REPORTS

There are many factors that affect the quality of financial reports, the most important of which are the following:

2.6.1. Accounting Standards

Accounting standards play an important role in regulating the accounting policy in society and this is done through their use in preparing and presenting financial reports. These standards are prepared based on the intellectual framework of financial accounting. The quality

of accounting standards increases, the higher the quality of the intellectual framework from which these standards are derived.

The (SEC) has defined quality standards as accounting standards that result in information that is relevant, reliable, and reliable for users. The International Accounting Standards Board (IASB) has emphasized, among its main objectives, the quality of standards, whereby high-quality accounting standards must be provided. Despite the agreement to provide high-quality standards so that high-quality financial reports can be provided, performance differed regarding the identification of this quality and the requirements that must be provided. Of accounting standards so that this quality can be achieved.

In this regard, there are four points of view for evaluating the quality of accounting standards, which are:

- The viewpoint of preparers and auditors of financial reports.
- The viewpoint of users of financial reports.
- The point of view of accounting standard setters.
- Finally, the viewpoint of the stock market, where the quality of accounting standards is evaluated by their effectiveness in reducing resources in the stock market (Sahloul, 2011: 89).

2.6.2. Corporate Governance

Corporate governance is one of the primary means to confront the effects of recent economic changes, the global financial crisis and the financial collapse of many companies, which are due to financial and administrative corruption, improper exercise of control and supervision, lack of experience and skills, as well as dysfunctional financing structures, inability to finance and inability to generate internal cash flows. Sufficient to pay the obligations owed by it, in addition to the lack of transparency, lack of interest in applying the accounting principles that achieve disclosure and transparency, and lack of interest in applying accounting principles to the reality of the company's financial conditions. It is a set of competencies that lead to strengthening the control over the management of the facility and

thus maximizing its value and the rights of shareholders and the protection of other stakeholders in the facility (Rida, 2010: 57).

2.6.3. External Review

External audit services represent a major focus in determining the quality of financial reports, as the quality of financial reports is affected by the external auditor, because the main objective of external audit is to get rid of intentional and unintended errors in financial reports and thus improve the quality of financial reports, and also that the mandatory periodic change of the external auditor effects On the quality of financial reports, the financial reports reviewed by more than one external auditor are of higher quality than the reports reviewed by one external auditor (Sami, 2009: 184).

On this basis, it can be said that the role of the external audit has become fundamental and effective, reducing the conflict between the owner and the management of the economic institution, as it limits the problem of asymmetry of accounting information.

2.6.4. Internal Control System

Internal control is the organizational plan and objective means and procedures by the company to help achieve the objectives of management. The quality of the financial reports is affected by the internal control system. Companies that have a weak internal control system have low quality financial reports, and on the contrary, companies that have a strong internal control system have financial reports High quality.

2.6.5. Review Committees

Audit committees are considered a development of the audit process in its broad sense, as their idea came with the aim of providing a technical control tool that works to protect the various stakeholders in the organization by providing additional assurances that the boards of directors of organizations perform their responsibilities and their agents efficiently and effectively. Audit committees ensure the existence of an effective internal control environment one of its elements is an independent function of internal audit of high quality with the availability of a sound formal information system that ensures the quality of financial reports.

Several studies have indicated that the quality of financial reports depends on the extent of the existence of audit committees, as audit committees increase the effectiveness of the supervision process over the preparation of financial reports, and reduce differences between management and the external auditor, and then the presence of audit committees leads to the accuracy and objectivity of financial reports and provide High quality accounting information and achieving quality accounting income (Sami, 2009: 191).

2.7. TYPES OF QUALITY OF FINANCIAL REPORTS

Achieving the quality of financial reports on the company's business requires achieving three types of quality in financial reports, as follows:

2.7.1. The Quality Of The Drafting Of The Report

Describe the report's data well so that the words chosen to describe the statement are clear, understandable and accurately express the statement, and this requires clarity.

2.7.2. The Quality Of The Report's Content

The existence of the correct values of the data and the freedom of the report from fundamental errors, and this requires the availability of three characteristics: comprehensiveness, completeness and accuracy.

2.7.3. The Quality Of The Report Presentation

Ease of obtaining the report in a timely manner or displaying the information under homogeneous headings or in a way that does not require further explanation and clarification when using it (Ubaidullah, 2005: 96-95).

CHAPTER 3: FIELD STUDY TO ANALYZE AND TEST THE STUDY HYPOTHESIS CONCLUSION AND RECOMMENDATIONS

In this part of the study, a study on the impact of qualitative accounting information characteristics on the quality of financial reports in Iraqi commercial banks was undertaken in the city of Sulaymaniyah. This chapter includes a description of the study method, study population, sample, study tools, sources of information, study variables, statistical treatments used in the study's analysis, and a test to verify data suitability for statistical analysis. Finally, the search results are presented.

3.1. RESEARCH OBJECTIVE AND IMPORTANCE

Appropriate accounting information that has qualitative characteristics represents the main source that users rely on for the purpose of making their economic and investment decisions. Thus, accounting information is critical for decision makers, because it is necessary to rationalize the decision-making process, as most of the information that users need is accounting information that gets it through financial reports. In order for the financial reports to play this role, they must enjoy a high level of quality stemming from the qualitative characteristics of the information contained therein, as the lack of qualitative characteristics of the accounting information contained in the financial reports makes these reports unhelpful and misleading to their users. The study aimed to show the importance of the commitment of commercial banks to provide qualitative characteristics of accounting information and its impact on improving the quality of financial reports, and to indicate any of the characteristics that the user is interested in order to enhance confidence in the accounting information published in the financial reports of Iraqi commercial banks, and the most important qualitative characteristics of the study are The importance of providing this information with the required quality and having qualitative characteristics that make it suitable for the purpose of rationalizing the various decision-making process and thus raising the competitive position of the unit.

3.2. RESEARCH METHOD AND HYPOTHESES

The current study relied on the descriptive analytical approach. At the level of the descriptive approach, a desk survey was conducted and a review of research, studies and theoretical and field research was conducted to crystallize the foundations and premises on which the theoretical framework is based and to stand on the most important previous studies that represent a vital tributary in the study. On the analytical level, a questionnaire was used, which was prepared based on the theoretical literature of previous studies, with the aim of collecting primary data and testing hypotheses.

3.3. STUDY TOOL

The study tool is the method used to collect the necessary information about the phenomenon under study, and there are many tools used in the field of scientific research to obtain the necessary information and data. Where the questionnaire was designed to study (the impact of the qualitative characteristics of accounting information on the quality of financial reports in Iraqi commercial banks). In a manner consistent with the objectives of the study and hypothesis testing, in addition to collecting personal information related to the members of the study sample.

The study tool was presented in its initial form to the professor supervising the study, to review it and ensure its comprehensiveness and coverage of the aspects of the study. The experiences and experiences of some specialists as arbitrators were also benefited from, where they were asked to express their opinions and issue their judgments on the tool (questionnaire) in terms of the consistency of the paragraphs with the assumptions search. Thus, the questionnaire was crystallized in its final form, and it was divided into three sections as follows:

The first section discusses the impact of the qualitative characteristics of accounting information on the quality of financial reports for commercial banks operating in Iraq, and it is divided into three axes:

- The first axis: commercial banks' keenness to provide the qualitative characteristics of accounting information in their published financial reports. It consists of five paragraphs.
- The second axis: the impact of the basic characteristics of accounting information on the quality of banks' financial reports. It consists of fifteen paragraphs.
- The third axis: the impact of the enhancing characteristics of accounting information on the quality of banks' financial reports. It consists of twenty paragraphs.

The second section discusses the effectiveness of (culture, political system, level of development of financial markets, social and economic conditions, accounting infrastructure and professional accounting institutions, competitive environment, legal system, tax system, accounting standards) on accounting information. It consists of nine paragraphs.

The third section includes the general characteristics of the study sample, including (gender, age, and educational attainment, number of years of experience, scientific specialization, job title, and extent of follow-up to international accounting standards) and it consists of seven paragraphs.

3.4. STUDY SCALE

The respondents' answers were encoded in order to facilitate their entry into the computer for statistical analysis. The degree of possible responses to the paragraphs was measured according to the five-point Likert scale in the distribution of the weights of the answers of the sample members, which is distributed from the highest weight of it, which was given to him (5) degrees, which is represented in a field The answer (strongly agreed) to its lowest weight, which was given to him (1) one degree and represented in the answer field (strongly disagree), and between them there were three weights. As shown in Table No. 3.1.

Table 3.1. Displays The Degree Of Responses According To The Likert Scale

Approval level	Degrees	Arithmetic Mean Domain	Statistical Significance
Strongly disagree	1	1 to 1.80	Very low approval rating
I do not agree	2	From 1.81 to 2.60	Low approval score
neutral	3	From 2.61 to 3.40	Medium approval score
Agreed	4	From 3.41 to 4.20	High degree of approval
Strongly agree	5	From 4.21 to 5	Very high approval rating.

3.5. THESIS HYPOTHESES

In order for us to verify the objectives of the research, the following statements were formulated:

HO1: Hypotheses about the impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.

HO1.1: There is no difference between sexes in the impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.

- HO1.1.1: There is no sex difference in the effect of the benefit characteristic.
- HO1.1.2: There is no sex difference in the effect of the Relevance characteristic.
- HO1.1.3: There is no sex difference in the effect of the honest representation characteristic.

HO1.2: There is no difference between ages in the impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.

- HO1.2.1: There is no age difference in the effect of the benefit characteristic.
- HO1.2.2: There is no difference between ages in the effect of the Relevance characteristic.
- HO1.2.3: There is no age difference in the effect of the honest representation characteristic.

HO1.3: There is no difference between academic achievements in the impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.

- HO1.3.1: There is no difference between academic achievements in the effect of the benefit characteristic.
- HO1.3.2: There is no difference between academic achievements in the effect of the Relevance characteristic.
- HO1.3.3: There is no difference between academic achievements in the effect of the characteristic of honest representation

HO1.4: There is no difference between the numbers of years of experience in the impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.

- HO1.4.1: There is no difference between the numbers of years of experience in the effect of the benefit characteristic.
- HO1.4.2: There is no difference between the numbers of years of experience in the effect of the Relevance characteristic.
- HO1.4.3: There is no difference between the numbers of years of experience in the effect of the honest representation characteristic.

HO1.5: There is no difference between specializations in the impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.

- HO1.5.1: There is no difference between specializations in the effect of the benefit characteristic.
- HO1.5.2: There is no difference between specializations in the effect of a Relevance characteristic.
- HO1.5.3: There is no difference between specializations in the effect of the honest representation characteristic.

HO1.6: There is no difference between the job titles in the impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.

- HO1.6.1: There is no difference between the job titles in the benefit characteristic effect.
- HO1.6.2: There is no difference between the job titles in the effect of the Relevance characteristic.
- HO1.6.3: There is no difference between job titles in the effect of the honest representation characteristic.

HO2: Hypotheses about the effect of the enhancing properties of accounting information on the quality of banks' financial reports.

HO2.1: There is no difference between sexes in the effect of the enhancing characteristics of accounting information on the quality of banks' financial reports.

- H2.1.1: There is no sex difference in the effect of the comparability characteristic.
- H2.1.2: There is no sex difference in the effect of the Understandable characteristic.
- H2.1.3: There is no sex difference in the effect of the timing characteristic.
- H2.1.4: There is no sex difference in the effect of the verifiability characteristic.

HO2.2: There is no difference between ages in the effect of the enhancing characteristics of accounting information on the quality of banks' financial reports (Hypothesis Zero).

- H2.2.1: There is no difference between ages in the effect of the comparability characteristic.
- H2.2.2: There is no difference between ages in the effect of the Understandable characteristic.
- H2.2.3: There is no age difference in the effect of the timing characteristic.
- H2.2.4: There is no age difference in the effect of the verifiability characteristic.

HO2.3: There is no difference between academic achievements in the effect of the enhancing properties of accounting information on the quality of banks' financial reports.

- H2.3.1: There is no difference between academic achievements in the effect of comparability.
- H2.3.2: There is no difference between academic achievements in the effect of the Understandable characteristic.
- H2.3.3: There is no difference between academic achievements in the effect of the timing characteristic.
- H2.3.4: There is no difference between academic achievements in the effect of verifiability.

HO2.4: There is no difference between the numbers of years of experience in the impact of the enhancing properties of accounting information on the quality of banks' financial reports.

- H2.4.1: There is no difference between the numbers of years of experience in the effect of comparability.
- H2.4.2: There is no difference between the numbers of years of experience in the effect of the Understandable characteristic.
- H2.4.3: There is no difference between the numbers of years of experience in the effect of the timing characteristic.
- H2.4.4: There is no difference between the numbers of years of experience in the effect of the verifiability characteristic.

HO2.5: There is no difference between specializations in the impact of the enhancing properties of accounting information on the quality of banks' financial reports.

- H2.5.1: There is no difference between specializations in the effect of the comparability characteristic.
- H2.5.2: There is no difference between specializations in the effect of the Understandable characteristic.
- H2.5.3: There is no difference between specializations in the effect of the timing characteristic.
- H2.5.4: There is no difference between specializations in the effect of the verifiability characteristic.

HO2.6: There is no difference between the job titles in the effect of the enhancing properties of accounting information on the quality of banks' financial reports.

- H2.6.1: There is no difference between the job titles in the effect of the comparability characteristic.
- H2.6.2: There is no difference between the job titles in the effect of the Understandable characteristic.
- H2.6.3: There is no difference between the job titles in the effect of the timing characteristic.
- H2.6.4: There is no difference between the job titles in the effect of the verifiability characteristic.

3.6. LITERATURE REVIEW

In this part of the study was reviews a number of researches conducted by some researchers in this field:

Ali Al-Mujheli (2008), the characteristics of accounting information and its impact on decision-making. This study aimed to discuss the intellectual and conceptual framework of the qualitative characteristics of the accounting information contained in financial reports, and to clarify its impact on rationalizing the decision-making process. The study concluded with a set of results, the most important of which is the high degree of approval and support of the majority of the respondents regarding the provision of appropriate accounting information that affects the decision-making in the financial reports published by commercial companies in Yemen. And the support of the opinions of the respondents from the category of the study sample by agreeing to provide the financial reports issued by commercial companies in Yemen reliable accounting information that affects the decision-making process. And that the financial reports issued by commercial companies in Yemen include accounting information comparable with the results of past years or with the results of similar companies, and that the comparability of accounting information leads to the efficiency and effectiveness of the decision-making process. The statistical test results of the study also showed that the financial reports are still the main source for the decision maker, and on the importance and appropriateness of these financial reports for decision-making, the financial position list ranked first, then the income statement, and so on, and where the report of the Board of Directors ranked last.

Abu Al-Khair (2009), the impact of international accounting standards and systemic factors on the quality of financial reports, a field study on the application of the impairment criterion in the value of assets. This study aimed to analyze the effects of international accounting standards on the quality of financial reports by testing the impact of the application of the criterion of depreciation in the value of assets in raising the quality of financial reports. Measures the quality of financial reports. This study deals with the concept of quality in the light of international accounting standards. Where the researcher assumes that the application of international accounting standards with the stability of other factors related to the financial

report resulted in a high quality of financial reports, and the variable of the quality of financial reports was tested for a sample consisting of (57) Egyptian joint stock companies listed in the Egyptian financial market, and the results showed that the quality of the financial reports for companies Those that apply the criterion of impairment in the value of assets are higher than the quality of financial reports for companies that do not apply the criterion of impairment in the value of assets. The study recommends the necessity of introducing radical amendments to the prevailing legal and accounting systems so that they are identical for all companies, and that they include general principles that govern the work of all joint stock companies.

Al-Shami (2009), the impact of the qualitative characteristics of accounting information on the quality of financial reports for commercial banks operating in the Republic of Yemen. The study aimed to measure the impact of the qualitative characteristics of accounting information on the quality of financial reports issued by commercial banks operating in Yemen. By measuring the impact of basic characteristics and their components such as comprehension, usefulness, suitability, and reliability on the quality of financial reports. And measuring the impact of secondary characteristics of accounting information such as consistency (stability) and comparability on the quality of financial reports. The study population consists of all commercial banks operating in Yemen. The study sample included (63) financial managers, internal auditors and accountants. This study reached a number of results, including that there is a high impact of the basic characteristics of accounting information on the quality of financial reports at a rate of (83%). The results showed that the secondary characteristics of accounting information affect the quality of financial reports by (85%). The study recommended the need for commercial banks to increase interest in using the qualitative characteristics of accounting information.

Sameh Muhammad (2011), the role of audit committees as one of the pillars of governance in improving the quality of financial reports. The study examined the role of audit committees as one of the pillars of governance in improving the quality of financial reports, and this study aimed to determine the extent to which audit committees contributed to improving the quality of financial reports in industrial joint stock companies. The importance of this study lies in the fact that it represents an extension of the accounting studies in the field

of governance, audit committees and the quality of financial reports. The study reached several results, the most important of which are: Corporate governance achieves many benefits when applied and emphasizes the importance of cooperation between the audit committee in joint stock companies and each of the internal auditor and the external auditor, which enhances the effectiveness of oversight over these companies. In Egyptian companies, and the need for financial and accounting expertise to be available to all members of the Audit Committee.

Tasios, Bekiaris, (2012) Auditor's Perceptions Of financial Reporting Quality: The Case of Greece, The study aims to test the relationship between the internal audit function in the company and the quality of financial reports. The study indicated that many local and international bodies stressed the importance of the internal audit function in ensuring the quality of financial reports.

Gras-Gil et.al, (2012) Internal Audit and financial reporting in the Spanish banking industry. The study aims to test the relationship between the internal audit function in the company and the quality of financial reports. The study indicated that many local and international bodies stressed the importance of the internal audit function in ensuring the quality of financial reports. The study relied on the questionnaire as a means through which information is collected from internal audit managers and analyzed in Spanish banks. The study concluded that the banks whose financial reports are of high quality are banks in which the internal and external auditors are distinguished by a high degree of cooperation among them through conducting the annual audit process. The study concluded that the participation of the internal audit function in reviewing the financial statements leads to an improvement in the quality of those reports.

Ismail, and Ryan (2012), Qualitative characteristics of accounting information between theory and practice. The research dealt with Statement No. (2) Issued by the American Financial Accounting Standards Board (FASB) in 1980, which is related to the qualitative characteristics that useful accounting information should have, and the bases that should be used to judge the usefulness of that information. The aforementioned statement identified two sets of qualitative characteristics. The first is the basic characteristics: Relevancy: it includes appropriate timing, recall value and predictive value. Reliability: which includes honesty in

presentation, verifiability, and impartiality. The second group is the secondary characteristics, which are comparability and stability. All these characteristics have fulfilled the requirements of their theoretical version and seem to be applicable from the theoretical point of view, but they encounter great difficulties in practice. These difficulties are the result of the theoretical dimension that characterized these characteristics and moving away from the practical image when putting them into practice. Practical.

Ahlam Abbas (2013), the impact of the qualitative characteristics of accounting information on the quality of financial reports. It deals with the impact of the qualitative characteristics of accounting information on the quality of financial reports. For accounting information on the quality of financial reports, the study used the historical, deductive, inductive and descriptive analytical method, and the results of this study showed that there is a high impact of the qualitative characteristics of accounting information on the quality of reports. Financial report preparers of the importance of providing qualitative characteristics of accounting information in their financial reports.

Abdul Rahman Adel Khalil (2013), the role of audit committees in reducing earnings management practices and its impact on the quality of financial reports. The study examined the role of audit committees in limiting earnings management practices and its impact on the quality of financial reports. This study mainly aims to study the role of audit committees in limiting profit management practices and its impact on the quality of financial reports, the importance of the study was that it deals with a topic of great importance which is the profit management phenomenon, as it works on tracking the methods and motives behind the profit impact. As a prelude to reduce them by formation of audit committees in order to strengthen the structure of audit firms, the study found the results of the most important is that the formation of good audit committees limit management practices profits, and the formation of audit committees members possess financial and accounting experience assists the Audit Committee in the discovery of multiple accounting methods for the management of profits Reducing them, and the study recommended the necessity of forming audit committees from members who have financial and accounting experience, and qualifying and training members

of audit committees so that they have knowledge of fraudulent practices of profit management and methods of detection.

Hope (2013) *Financial Reporting Quality of U.S. Private and Public Firms*, The study dealt with the quality of the financial reports of private and public companies in the United States. This study aimed to test the quality of the financial reports of private companies versus public companies in the United States of America, and the testing process was done from those three United States accounting databases using a large sample database. The sample is about one hundred thousand public and private companies. The study found that public companies in general enjoy a higher level of quality and a more conservative level than private companies. As the results of the study were consistent with reports that reflect the increased demand for financial information in the public sector, however, these levels of quality may be at a lower level in companies that are prone to profit management or in companies that demand information from the inevitability. This study not only contributes to the current discussion about the quality of financial reporting in the private sector versus the public sector, but also aims to broaden the scope of the literature in an attempt to understand the factors that control the quality of corporate financial reports.

Fares Jamil, (2013) *corporate governance and its impact on the quality of accounting information in the industrial community shareholding companies listed in Amman financial market*. The impact of corporate governance on the quality of the study dealt with accounting information, it is a field study on the listed industrial companies in the financial market of Oman, study aimed to identify the principles of corporate governance and the study of aspects of the theory, and understanding of the concept of corporate governance within the economic environment, and the most important findings of the study, The study found that there is a full awareness of the designers and users of financial statements of the concept of corporate governance and the foundations of its application in industrial companies listed on the Amman Financial Market, and that there is a relationship between corporate governance principles and the quality of financial reports and their understanding of financial reports. The basis of its application in industrial companies in the Amman Financial Market, and that there should be principles of corporate governance to protect shareholders and investors.

Palea Vera (2013), *International Financial Reporting Standards and Quality of Financial Statements (IFRS/IAS)*. This study discussed the impact of the adoption of the International Financial Reporting Standards (IFRS/IAS) in Europe on the quality of the financial statements.)) in the European Union is to ensure a higher level of disclosure and transparency which in turn leads to the effectiveness and efficiency of the financial market. This study was based on a review of empirical studies that showed that the adoption of international financial reporting standards improves the quality of financial statements. The researcher concluded that the quality of the financial statements can be determined by identifying the extent to which the main and secondary qualitative characteristics (verifiability, comparability, appropriate timing, and comprehension) are achieved. Quality accounting that focuses on profit management or a timely loss recognition method.

Mona Gabay Youssef (2015), measuring the impact of exchange rate change on the quality of Sudanese banks' financial reports. The study dealt with measuring the effect of the exchange rate on the quality of the financial reports of Sudanese banks. One of the objectives of the study is to build a proposed accounting model to measure the effect of the exchange rate change on the quality of financial reports. The study found the results of the most important of which is that the financial reports are designed to deliver information at the highest degree of quality to its users, each according to his need to help them make business decisions economic governance decisions, and can finance users reports identify financial reporting content, the study recommended the need for emergency taking into account the changes to the Exchange rates, which negatively affect banks' financial statements and reports, and the need to pay attention to the balance of payments and the effects that occur due to exchange rate changes.

Lamia Ahmed (2018), *Voluntary Disclosure and its Role in the Quality of Financial Reports and Evaluating the Quality of Financial Performance*. The study dealt with the optional disclosure cycle in the quality of financial reporting and evaluating the quality of financial performance, this study aims indicate the role of voluntary disclosure in the financial performance evaluation, and the statement of the concept and the types of performance evaluation indicators of financial and stems the importance of the study of being on the subject of voluntary disclosure and linking it to evaluate the financial performance of the Sudanese

Environment The study reached several results, the most important of which are: Optional disclosure affects the reduction of uncertainty among decision-makers, and affects the optional disclosure to improve the quality of financial reporting and thus improve financial performance evaluation, the study recommended a number of recommendations, including the need to encourage professional bodies of banking facilities on the importance of voluntary disclosure to serve the decision-makers and financial information Educating managers and trying to increase their awareness of the importance of voluntary disclosure in order to increase their competitiveness among establishments.

Abdul Rahman Adel and Muhammad Siddiq (2018), the Governance Role of the External Auditor and its Impact on the Quality of Financial Reports. The study dealt with the governance role of the external auditor and its impact on the quality of financial reports. The study aimed to determine the impact of the governance role of the external auditor on the quality of financial reports. When the time is right, the governance role of the external auditor limits management's authority, that the governance role of the external auditor confirms the reliability of the accounting information provided by the board of directors to the general assembly of the bank, and the study recommended a number of recommendations, including: providing appropriate accounting information to enable timely performance evaluation, using a unified method of accounting measurement to facilitate the evaluation of the bank's accounting information, Accounting policies that lead to discrepancies in accounting information related to the bank should be used.

Ahlam Ali Mohamed (2019), Accounting Standards for Fair Value and its Role in Increasing the Quality of Financial Reporting Data. The study addressed accounting standards about the fair value and its role in increasing the quality of financial reporting data. The study aimed to know the concept of fair value and to indicate its importance and to measure the extent of its use on the quality of financial reports. To achieve the objectives of the study, the following hypotheses were tested: using fair value increases the quality of the financial report. The application of fair value standards has a positive effect on the quality of financial reporting. There is a statistically significant relationship between fair value and quality of financial reports. The study found the following results: using fair value in measurement and disclosure

is more accurate than it helped to make the decision. Accounting standards about fair value have made the accountant more accurate in presenting the data. The fair value is considered in the IT environment to track global development and its response to supply and disclosure. The study recommended that accounting standards about fair value should be applied to keep up economies, should enhance the obligations of standards of accounting for fair value and should be adhered to at the local or international standards.

Muhannad Al-Saida (2020), the impact of changing accounting policies on the quality of financial reports. The aim of the research is to determine the impact of changing accounting policies on the quality of financial reports by determining the impact of the change in accounting policies on the appropriateness of financial reports, and on the credibility of financial reports. The study found a positive and significant impact of the change in accounting policies on the appropriateness of financial reports, as the change in accounting policies with the disclosure of this change affects positively in enhancing the appropriateness of financial reports, In addition to the presence of a positive and significant impact of the change in the accounting policies on the credibility of the financial reports, as the change in the accounting policies with the disclosure of this change affects positively in enhancing the credibility of the financial reports. The study also recommended the necessity of disclosing the procedures for changes in the accounting policies to avoid their negative impact on the accuracy of the presentation and analysis of the data contained in the financial reports in the company in which the work is done, and the need to enhance the characteristic of neutrality in order to choose the accounting policies away from bias by those responsible for preparing the financial reports.

Kamal Obaidullah Khalifa Othman (2020), the impact of electronic commerce on the quality of accounting information. The study aimed to clarify and test the relationship between electronic commerce and the appropriateness of financial reporting information. Studying and testing the relationship between e-commerce and achieving the reliability of financial reporting information. And studying the impact of e-commerce on the comparability of financial reporting information. The study reached several results, including: The use of customer information in updating the site's databases contributed to the quality of financial reporting information. E-commerce contributed to providing evidence for users to ensure the reliability

of the company's financial reports. E-commerce has contributed to providing information that is convenient for decision-making. The study recommended several recommendations, the most important of which are: Sudanese industrial companies should coordinate with each other and professional associations and organizations in order to provide the necessary ingredients for e-commerce. Setting an accounting standard that guarantees a specific scope for e-commerce transactions in which the formula, preparation and presentation of accounting information for e-commerce operations is available. Establishing regulations and laws for auditors, especially in the field of information technology, to carry out the electronic audit process effectively.

Suleiman Idris Rizkallah Khairallah (2021), the pillars of corporate governance and its role in the quality of financial reports. The study aimed to demonstrate the impact of ethical behavior on the quality of financial reports. Clarifying the role of transparency and accountability in the quality of financial reports, studying the relationship between risk management and the quality of financial reports, the study tested the following hypotheses: There is a statistically significant relationship between ethical behavior as one of the pillars of corporate governance and the quality of financial reporting, there is a statistically significant relationship between transparency and accountability as one of the pillars of corporate governance. Companies and the quality of financial reports, there is a statistically significant relationship between risk management as one of the pillars of corporate governance and the quality of financial reports. The study reached several results, including: Contribute to the principles of professional conduct contributed to the provision of appropriate financial reports related to investment decisions. Availability of auditors' reports for thorough public examination contributed to the provision of financial reports that are understandable by investors. Ensuring that the auditors examined the internal control system contributed to the preparation of reports on an objective basis and supported by documents. The study recommended paying attention to applying the pillars of corporate governance and including them within the internal control systems, applying the concept of corporate governance, its pillars and mechanisms for its contribution to providing appropriate financial reports related to investment decisions.

3.7. STUDY POPULATION AND SAMPLE

The study population consists of commercial banks operating in the city of Sulaymaniyah. The vocabulary of the study sample was also identified from the study population with its scientific specifications, in particular the workers who are related to the subject of the study from the specialists of accountants, financial managers, internal auditors, managers, and workers in those banks. Accordingly, the vocabulary of the study sample was limited to (75) individuals. Where was distributed (75) questionnaires to the study sample members, and (70) correct and error-free questionnaires were retrieved that were used in the analysis with a percentage of (93.3%) of the number of distributed questionnaires. The following is a summary of the number of questionnaires distributed, retrieved and subject to analysis.

Table 3.2. Distributed And Returned Questionnaires

Statement	Number	Ratio
Distributed questionnaires	75	% 100
Returned questionnaires	70	% 93.3
Questionnaires not returned	05	% 6.67
Questionnaires are not valid for analysis	00	% 00
Valid questionnaires for analysis	70	% 93.3

From the above table, it is clear that the response rate reached (93.3%) of the distributed questionnaires, and the questionnaires that were not returned by (6.67%), and this rate is very good.

3.8. INTERPRETATION OF RESULTS AND TESTING OF HYPOTHESIS

3.8.1. Personal Data Analysis

It includes the personal data of the study sample members, as this part contains (sex, age, and educational attainment, number of years of experience, scientific specialization, and job title, follow-up to international accounting standards).

Table 3.3. The Demographic Characteristics Of The Study Sample

N	Variables	Category	Repetition	Ratio
1	sex	male	26	37.2 %
		female	44	62.8 %
		Total	70	100 %
2	Age	28-22	6	8.57 %
		35-29	41	58.57 %
		42-36	14	20 %
		49-43	4	5.71 %
		56-50	1	1.43 %
		63-57	2	2.86 %
		64 years and over	2	2.86 %
		Total	70	100 %
3	educational attainment	Junior high	1	1.43 %
		Bachelor's	50	71.43 %
		Master's	10	14.28 %
		PhD	2	2.86 %
		other	7	10 %
		Total	70	100 %
4	number of years of experience	less than 1 year	1	1.43 %
		1-5 years	15	21.43 %
		6-10 years	25	35.72 %
		11-15 years	21	30 %
		16-20 years	4	5.71 %
		20 years and over	4	5.71 %
		Total	70	100 %
5	scientific specialization	Accounting	30	42.86 %
		Finance and Banking	20	28.57 %
		Business Management	10	14.29 %
		Economic	5	7.14 %
		other	5	7.14 %
		Total	70	100 %
6	job title	Accountant	26	37.2 %
		Internal Auditor	14	20 %
		Financial Manager	12	17.1 %
		audit manager	11	15.7 %
		other	7	10 %
		Total	70	100 %
7	follow-up to international accounting standards	ongoing	16	22.85 %
		Mostly	25	35.71 %
		medium	16	22.86 %
		few	10	14.28 %
		non-existent	3	4.3 %
		Total	70	100 %

From the above table deduce:

- As for the sex variable: the presented results showed that (37.2%) of the participants are male, and (62.8%) of the participants are female. that the nature of the work carried out by banks in all financial and administrative fields is appropriate to employing a larger proportion of females. of males, and this indicates that females enjoy flexibility in accomplishing work and that there are no restrictions preventing them from carrying

out the tasks assigned to them and that they are closer to achieving the objectives of the study.

- As for the age variable: the sample individuals are distributed by (8.57%) for the age group from 28-22 years, and by (58.57%) for the age group from 29-35 years, and by (20%) for the age group from 42-36 years, and by (5.71%)) for the age group from 49-43 years, by (1.43%) for the age group from 56-50 years, and by (2.86%) for the age group from 63-57 years, and by (2.86%) for the age group from 64 years and over. that The high percentage of the age group from 35-29 years indicates the extent to which banks depend on the new young groups.
- As for academic achievement: it is noted that (1.43%) of the study sample are those who hold a middle school certificate, (71.43%) of those who hold a bachelor's degree, (14.28%) of those who hold a master's degree, and (2.86%) of those who hold a doctorate As for the other disciplines, their percentage in the sample amounted to (10%), respectively. It is clear that the educational qualification of the majority of the sample members is a bachelor's degree. this percentage is a guide to the nature of banking work that requires higher academic qualifications, meaning that the members of the study sample are qualified apt.
- Regarding years of experience: the results showed that (1.43%) of the study sample members have them under 1 year, and that (21.43%) of them have 1-5 years, and that (35.72%) of them have 6-10 years, and that (30) % of them have owned 11-15 years, and (5.71%) of them have owned 16-20 years, and (5.71%) of them have owned 20 years or more. It was found that most of the study sample had experience from 5 to 15 years (65.72%), which indicates the presence of individuals with experience and knowledge in the field, which enhances confidence in the results that the respondents have experience in banking.
- Regarding the scientific specialization: It is noted that the scientific specialization of the majority of the sample is accounting, as their percentage amounted to (42.86%) of the study sample, while the percentage of finance and banking specialization in the sample was (28.57%), either the business administration specialization reached

- (14.29%) in the sample. While the economics majors, their percentage in the sample is (7.14%), as for other specialties, their percentage in the sample is (7.14%).
- Regarding the job title: It is clear from the above table that the scientific specialization of the majority of the sample members is an accountant. It was found that their percentage (37.2%) of the study sample members, and that (20%) of the study sample members are internal auditors, and the percentage (17.1%) of the study sample members are financial managers, and (15.7%) of the study sample members are audit managers, while (10%) of the study sample are working in other jobs. That is, the majority of the study sample members are those who work in the accounts departments of these banks, and this in turn enhances the credibility of the study.
 - Concerning the follow-up to international accounting standards: the results from the above table showed that (22.85%) of the study sample members constantly follow international accounting standards, and (35.71%) often follow international accounting standards, and there is a percentage (22.86%) of sample individuals The study has a medium ability to follow international accounting standards, while the percentage of those who follow up to international accounting standards is few (14.28%), while those who do not follow international accounting standards were (4.3%) of the study sample. It was found that most of the study sample members are familiar with and follow the international accounting standards.

3.8.2. The Statements Are Effective On Accounting Information Data Analysis

Table 3.4. Shows The Effective Statements On Accounting Information

N	Phrases	Approval Level	Repetition	Ratio	Ranking
1	"Culture" has an effect on accounting information.	Yes	59	84.286%	2
		No	8	11.429%	
		Little	3	4.286%	
Total			70	100 %	
2	The "political system" has an impact on accounting information.	Yes	42	60%	9
		No	17	24.286%	
		Little	11	15.714%	

Total			70	100 %	
3	"Level of Development of Financial Markets" has an effect on accounting information.	Yes	54	77.143%	6
		No	14	20%	
		Little	2	2.857%	
Total			70	100 %	
4	"Social and Economic Conditions" have an effect on accounting information.	Yes	43	61.429%	8
		No	22	31.429%	
		Little	5	7.143%	
Total			70	100 %	
5	"Accounting Infrastructure and Accounting Professional Organizations" have an effect on accounting information.	Yes	56	80 %	4
		No	11	15.714%	
		Little	3	4.286%	
Total			70	100 %	
6	"Competitive Environment" has an effect on accounting information.	Yes	44	62.857%	7
		No	16	22.857%	
		Little	10	14.286%	
Total			70	100 %	
7	"Legal System" has an effect on accounting information.	Yes	55	78.571%	5
		No	12	17.143%	
		Little	3	4.286%	
Total			70	100 %	
8	"Tax System" has an effect on accounting information.	Yes	57	81.429%	3
		No	9	12.857%	
		Little	4	5.714%	
Total			70	100 %	
9	"Accounting Standards" have an effect on accounting information.	Yes	60	85.714%	1
		No	8	11.429%	
		Little	2	2.857%	
Total			70	100 %	

From the above table it is concluded that:

- Paragraph No. (9) ranked first, as the results showed that (85.714%) of the sample members agree at a high level that accounting standards are effective on accounting information, and (11.429 %) do not agree that accounting standards are effective on accounting information, while the amount of The percentage of those who find little effectiveness of accounting standards on accounting information is (2.857%) of the study sample. The high percentage of approval of the sample members that accounting standards are effective over accounting information is due to the fact that the accounting information prepared in accordance with accounting standards is

appropriate, reliable, characterized by qualitative characteristics, and honestly expresses the operations and economic events carried out by the bank.

- Paragraph No. (1) ranked second, as the results showed that (84.286%) of the sample members agree at a high level that culture is effective on accounting information, and (11.429 %) do not agree that culture is effective on accounting information, while the percentage of those who They find that culture has little effect on accounting information, (4.286 %) of the study sample members. The high rate of approval of the sample members that culture has effectiveness on accounting information is a result of the fact that accounting is a social science that is not separate from the reality in which it is practiced, but stems from and is influenced by it, as it is affected by the culture of practitioners and organizers.
- Paragraph No. (8) ranked third, as the results showed that (81.429%) of the sample members agree at a high level that the tax system is effective on accounting information, and (12.857 %) do not agree that the tax system is effective on accounting information, while it reached The percentage of those who find the tax system to be less effective on accounting information is (5.714%) of the study sample. The high rate of approval of the sample members on the effective tax system on accounting information is due to the fact that the tax administration at the present time is a major user of the accounting outputs represented in the financial statements, whether they are companies or individuals. Which forced banks and companies to keep books and accounting records and abide by the laws for the purpose of calculating taxable income.
- Paragraph No. (5) ranked fourth, as the results showed that (80%) of the sample members agree at a high level that the accounting infrastructure and professional accounting institutions are effective on accounting information, and (15.714 %) do not agree that the accounting infrastructure and professional institutions have Accounting is effective on accounting information, while the percentage of those who find that accounting infrastructure and professional accounting institutions have little effectiveness on accounting information reached (4.286 %) of the study sample. The high percentage of approval of the sample members that the accounting infrastructure and professional accounting institutions have effective accounting information is due

to the fact that bank workers are well aware that the infrastructure is a necessary basis so that the accounting system in banks can work efficiently and effectively and be able to prepare financial reports that meet the needs of users.

- Paragraph No. (7) ranked fifth, as the results showed that (78.571%) of the sample members agree at a high level that the legal system has an impact on accounting information, and (17.143 %) do not agree that the legal system has an impact on accounting information, while the percentage reached The percentage of those who find that the legal system has little effectiveness on accounting information is (4.286 %) of the study sample. The high percentage of approval of the sample members that the legal system has an impact on the accounting information is due to the fact that the financial operations that take place in the bank, whether they are with internal or external parties, must have a legal basis. Therefore, when developing the accounting system, legal texts and tax legislation should be taken into account, and the accountant must also abide by the laws, whether those related to his performance of his accounting work or his professional behavior so that the financial statements and accounting information do not conflict with the legal texts.
- Paragraph No. (3) Ranked sixth. The results showed that (77.143%) of the sample members agree at a high level that the level of financial market development is effective on accounting information, and (20%) do not agree that the level of financial market development is effective on information. Accounting information, while the percentage of (2.857%) of the study sample members who find that the level of development of financial markets has little effectiveness on accounting information. The high percentage of approval of the sample members that the level of financial market development is effective on accounting information is due to the fact that accounting information helps dealers in the financial market to invest in this market, which helps to increase dealers and increase the size of the market, and thus increase the efficiency of these markets, which contributes to this In activating the market and thus achieving economic development.
- Paragraph No. (6) ranked seventh, as the results showed that (62.857%) of the sample members agree at a high level that the competitive environment is effective on

accounting information, and (22.857 %) do not agree that the competitive environment is effective on accounting information, while it reached The percentage of those who find that the competitive environment is less effective on accounting information is (14.286%) of the study sample. The high percentage of approval of the sample members that the competitive environment is effective on accounting information is a result of the fact that commercial banks, regardless of their size, operate in a business environment characterized by intense competition and continuous change in the surrounding conditions, especially changing market conditions and users' needs for reports and accounting information. The need to direct attention towards the preparation of financial reports and what contains accounting information that has qualitative characteristics in order to enable it to adapt, survive and continue under changing environmental conditions and qualify it to compete and withstand current and future challenges.

- Paragraph No. (4) ranked eighth, as the results showed that (61.429%) of the sample members agree at a high level that social and economic conditions are effective on accounting information, and (31.429 %) do not agree that social and economic conditions are effective on accounting information, While the percentage of those who find that social and economic conditions have little effect on accounting information was (7.143%) of the study sample. The high percentage of approval of the sample members that social and economic conditions are effective on accounting information is a result of the fact that business organizations at the present time have exceeded their role from serving customers, providing services and products and obtaining profits to playing roles towards the well-being and improvement of the lives of their communities. And that the accounting profession must change from its traditional trends and be interested in helping the community by carrying out the process of measuring and evaluating the social performance of business organizations and providing financial reports that contain accounting information on its results.
- Paragraph No. (2) ranked ninth, as the results showed that (60 %) of the sample members agree at a high level that the political system is effective on accounting information, and (24.286 %) do not agree that the political system is effective on

accounting information, while it reached The percentage of those who find that the political system has little effectiveness on accounting information is (15.714 %) of the study sample. The high percentage of approval of the sample members that the political system is effective on accounting information is due to the fact that the function of the political system is to manage the internal and external business of the state, and for this reason, accounting information is used to set rates of public benefits, organize the quantities and types of services offered, and formulate tax policy. Therefore, accounting is the main body that can provide these parties with the data and various accounting information they need that they can benefit from in making and taking decisions. It is necessary that the accounting information provided to these entities be appropriate and have qualitative characteristics that meet the needs of decision makers.

3.8.3. Analyzing The Results And Testing The Hypotheses Of The Field Study

3.8.3.1. The Tests Used To Analyze The Data In The Study

To analyze the data using the (SPSS) statistical program, the data was encoded and entered into the computer, and the appropriate methods of analysis were selected, depending on the type of data to be analyzed in the study as follows:

- Frequencies and percentages to describe the demographic variables of the study sample according to their personal characteristics.
- The arithmetic mean and standard deviation in order to describe the study sample and show its characteristics and determine the relative importance of the study variables and its paragraphs.
- Cronbach's alpha test to determine the reliability of the questionnaire questions.
- One Samples T-Test: This test is a powerful parameter test and is used to check whether the mean of a variable in one sample is equal to the fixed value. The one-sample test is mainly used to compare the calculated arithmetic mean with a predetermined hypothetical mean.
- T-Test for the difference between the mean of two independent samples: This test is used when we want to compare the mean of two independent groups of data from each

other and are homogeneous to see if there are statistically significant differences between the two sets of independent data.

- Factor analysis: Factor analysis is used to examine the relationships and correlations between the various variables included in the analysis, leading to the common factors that describe the relationship between these variables and their interpretation.
- One-way a nova: A one-way a nova analysis of variance test for differences between three or more independent samples. To see if there are significant differences between three or more sets of data.

3.8.3.2. Resolution Stability Test

After unpacking the questionnaire statements in the Statistical Package for Social Sciences (SPSS), the internal stability of the questionnaire as a whole was checked to see if the data set was suitable for statistical analysis using Cronbach's alpha coefficient, which measures the degree of internal consistency between statements. Where the value of Cronbach's alpha coefficient ranges between (0-1), and for the scale to be stable and acceptable, the reliability coefficient for all data measures must be (0.70%) or higher.

Table 3.5. Shows Resolution Stability Test

Axis	Cronbach's Alpha	N
1	% 0.9106	5
2		
2-1	% 0.9124	5
2-2	% 0.9099	5
2-3	% 0.9177	5
3		
3-1	% 0.9133	5
3-2	% 0.9161	5
3-3	% 0.9155	5
3-4	% 0.9113	5
All items Of The Questionnaire	% 0.9233	40

The results show through Table No.3.5 that the individual measures of all questionnaire axes are more than 0.70%, as Cronbach's values for the questionnaire axes were between

(0.9099% - 0.9177%). And for all the questionnaire axes as a whole is (0.9233%). It is a good value, which indicates that there is a very good internal consistency between the questionnaire questions, and the data is acceptable for statistical analysis purposes and therefore its results can be relied upon and credible. And from it conclude that the study tool that we have prepared to address the problem at hand is honest and consistent in all its paragraphs and is ready to be applied to the study sample.

3.8.3.3. View And Analyze The Answers Of The Sample Members To The Statements Of The Interlocutor

One sample T-Test was used to analyze the paragraphs of the questionnaire and to know the opinions and trends of the sample members, where the paragraph is positive in the sense that the sample members agree on its content if the calculated T-value is greater than the tabular T-value which is equal to (1.667), or the level of The significance is less than (0.05). The paragraph is negative in the sense that the sample members do not agree with its content if the calculated T-value is smaller than the tabular T-value which is equal to (1.667), or the significance level is greater than (0.05).

Analysis Of The Paragraphs Of The First Axis

Table 3. 6.The Results Of Analyzing The Responses Of The Sample Members To The Statements Of The Commercial Banks' Keeness To Provide Qualitative Characteristics Of Accounting Information

N	Phrases	Weighted Mean	Standard Deviation	T-Test	Sig.	Approval Level	Ranking
1	The bank's management relies on accounting information while carrying out its various activities and work to make appropriate decisions (such as investment and credit decisions).	4.500	0.5582	67.448	0.000	High	1
2	The accounting policy used in preparing the financial statements and the changes in them are disclosed.	4.029	0.7980	42.236	0.000	High	5
3	The use of qualitative information increases the degree of certainty regarding alternatives to decisions.	4.129	0.7787	44.357	0.000	High	4
4	Financial reports provide management with all its accounting information needs for decision-making.	4.343	0.7781	46.699	0.000	High	2

5	Preparing financial statements according to the basic characteristics helps in providing the ability to evaluate past results.	4.300	0.7489	48.038	0.000	High	3
Total		4.260	0.5452	65.377	0.000	High	

The value of the tabulated T: 1.667 at 0.05 and DF 69.

It appears from the above table that:

- Paragraph No. (1) ranked first with an arithmetic mean of: 4.500 and a standard deviation of 0.5582, and the calculated T-value was: 67.448, which is greater than the tabular T-value, which means Paragraph (1) is statistically significant and positive, meaning that the sample members agree at a high level that The bank's management relies on accounting information while carrying out its various activities and work to make appropriate decisions (such as investment and credit decisions).
- Paragraph No. (4) ranked second with an arithmetic mean of: 4.343 and a standard deviation of 0.7781, and the calculated T-value was: 46.699, which is greater than the tabular T-value, which means Paragraph (4) is statistically significant and positive, meaning that the sample members agree at a high level that Financial reports provide management with all its needs of accounting information necessary for decision-making.
- Paragraph No. (5) ranked third with an arithmetic mean of: 4.300 and a standard deviation of 0.7489, and the calculated T-value was: 48.038, which is greater than the tabular T-value, which means Paragraph (5) is statistically significant and positive, meaning that the sample members agree at a high level that The availability of basic characteristics in the financial statements helps in providing the ability to evaluate past results.
- Paragraph No. (3) ranked fourth with an arithmetic mean of: 4.129 and a standard deviation of 0.7781, and the calculated T-value was: 44.357, which is greater than the tabular T-value, which means Paragraph (3) is statistically significant and positive, meaning that the sample members agree at a high level that The use of information with qualitative characteristics increases the degree of certainty regarding alternatives to decisions.

- Paragraph No. (2) ranked fifth with an arithmetic mean of: 4.029 and a standard deviation of 0.7980, and the calculated T-value was: 42.236, which is greater than the tabular T-value, which means Paragraph (2) is statistically significant and positive, meaning that the sample members agree at a high level that The accounting policy used in preparing the financial statements and the changes that occur to them are disclosed.

In general, through the total paragraphs find the arithmetic mean of the total expressions amounted to 4.260 and a standard deviation of 0.5452, and that the statistical value of the T-Test amounted to: 65.377, which is greater than the tabular T. This indicates that the axis is statistically significant at the level of significance (0.05). In general, it turns out that the sample members agree that there is a high level of the impact of the commercial banks' keenness on providing the qualitative characteristics of the accounting information in the banks under study.

Analysis The Paragraphs Of The Second Axis

First: The Benefit Characteristic

Table 3. 7. Shows the Results of Analyzing The Answers Of The Sample Members To The Statements Of Interest

N	Phrases	Weighted Mean	Standard Deviation	T-Test	Sig.	Approval Level	Ranking
6	The usefulness of accounting information has the importance and influence in taking appropriate decisions.	4.329	0.7561	47.899	0.000	High	1
7	The utility of an appropriate decision to use the information is the general rule for the importance of accounting information to a bank.	4.114	0.7526	45.736	0.000	High	3
8	Good accounting information is the most useful information in the area of rationalizing decisions.	4.214	0.8322	42.369	0.000	High	2
9	The cost of obtaining the accounting information is important for making	4.043	0.8918	37.931	0.000	High	4

	decisions so that the utility of the information must be greater than the cost of obtaining it.						
10	The accounting information prepared according to the usefulness of the accounting information is distinguished by obtaining it for appropriate decision-makers at an appropriate cost.	3.957	0.8242	40.170	0.000	High	5
Total		4.131	0.6147	56.234	0.000	High	

The value of the tabulated T: 1.667 at 0.05 and DF 69.

It appears from the above table that:

- Paragraph No. (6) ranked first with an arithmetic mean of: 4.329 and a standard deviation of 0.7561, and the calculated T-value was: 47.899, which is greater than the tabular T-value, which means Paragraph (6) is statistically significant and positive, meaning that the sample members agree with a high level on the benefit of accounting information is important and has an impact on making appropriate decisions.
- Paragraph No. (8) occupied the second place with an arithmetic mean of: 4.214 and a standard deviation of 0.8322, and the calculated T-value was: 42.369, which is greater than the tabular T-value, which means Paragraph (8) is statistically significant and positive, meaning that the sample members agree with a high level on the Good accounting information is the most useful information in rationalizing decisions.
- Paragraph No. (7) ranked third with an arithmetic mean of: 4.114 and a standard deviation of 0.7526, and the calculated T-value was: 45.736, which is greater than the tabular T-value, which means Paragraph (7) is statistically significant and positive, meaning that the sample members agree at a high level to The benefit of the appropriate decision to use the information is the general rule for the importance of accounting information for the bank.
- Paragraph No. (9) ranked fourth with an arithmetic mean of: 4.043 and standard deviation of 0.8918, and the calculated T-value was: 37.931, which is greater than the tabular T-value, which means paragraph (9) is statistically significant and positive, meaning that the sample members agree at a high level that The cost of acquiring accounting information is so important for decision-making that the benefit of the information must be greater than the cost of obtaining it.

- Paragraph No. (10) Ranked fifth, with an arithmetic mean of: 3.957 and standard deviation of 0.82420, and the calculated T-value was: 40.170, which is greater than the tabular T-value, which means paragraph (10) is statistically significant and positive, meaning that the sample members agree at a high level that the accounting information prepared according to the benefit of accounting information is characterized by obtaining it for appropriate decision-makers at an appropriate cost.

In general, through the total paragraphs of the feature of interest noted the arithmetic mean of the total expressions amounted to 4.131, standard deviation 0.6147, and the statistical value of the T-Test amounted to: 56.234, which is greater than the tabular T. This indicates that the expressions of the interest feature are statistically significant at the level of significance of 0.05. In general, it appears that the sample members agree that there is a high level of the impact of the interest feature on the quality of financial reports in the banks under study.

Second: The Property Of Relevance

Table 3. 8. Shows The Results of The Analysis of The Answers of The Sample Members To The Phrases, The Property of Relevance

N	Phrases	Weighted Mean	Standard Deviation	T-Test	Sig.	Approval Level	Ranking
11	Preparing financial statements according to the appropriateness of the information enhances the predictive power of accounting information.	4.014	0.8252	40.700	0.000	High	4
12	The accounting information relied upon in making decisions is timely.	4.000	0.8513	39.314	0.000	High	5
13	Using the convenience feature helps decision-makers reduce the degree of uncertainty when they make the right decisions in the bank.	4.171	0.7416	47.065	0.000	High	3
14	The information obtained from the financial reports is accurate for making decisions.	4.300	0.7867	45.733	0.000	High	1

15	Preparing financial statements according to the appropriateness of the information increases the ability of the accounting information to influence the decision that is used if this decision is related to future forecasts.	4.200	0.7913	44.410	0.000	High	2
Total		4.137	0.5774	59.948	0.000	High	

The value of the tabulated T: 1.667 at 0.05 and DF 69.

It appears from the above table that:

- Paragraph No. (14) ranked first with an arithmetic mean of: 4.300 and a standard deviation of 0.7867, and the calculated T-value was: 45.733, which is greater than the tabular T-value, which means Paragraph (14) is statistically significant and positive, meaning that the sample members agree at a high level to the information obtained from financial reports is accurate for making decisions.
- Paragraph No. (15) ranked second with an arithmetic mean of: 4.200 and a standard deviation of 0.7913, and the calculated T-value was: 44.410, which is greater than the tabular T-value, which means Paragraph (15) is statistically significant and positive, meaning that the sample members agree with a high level on the preparation of financial statements according to the appropriateness of the information enhances the advantage of the predictive ability of accounting information to influence the decision that is used if this decision relates to future predictions in the bank.
- Paragraph No.: (13) ranked third with an arithmetic mean of: 4.171 and a standard deviation of 0.7416, and the calculated T-value was: 47.065, which is greater than the tabular T-value, which means that Paragraph (13) is statistically significant and positive, meaning that the sample members agree with a high level on the Preparing the financial statements according to the appropriateness of the information helps the decision makers to reduce the degree of uncertainty when they take the appropriate decisions in the bank.
- Paragraph No. (11) ranked fourth with an arithmetic mean of: 4.014 and a standard deviation of 0.8252, and the calculated T-value was: 40.700, which is greater than the tabular T-value, which means Paragraph (11) is statistically significant and positive, meaning that the sample members agree at a high level to the Preparing the financial

statements according to the appropriateness of the information enhances the predictive power of the accounting information.

- Paragraph No. (12) ranked fifth with an arithmetic mean of: 4.000 and a standard deviation of 0.8513, and the calculated T-value was: 39.314, which is greater than the tabular T-value, which means Paragraph (12) is statistically significant and positive, meaning that the sample members agree at a high level to the accounting information on which decisions are relied should be appropriate in terms of timeliness.

In general, through the total paragraphs of the appropriateness property, noted the arithmetic mean of the total expressions of the appropriateness property amounted to 4.137 and a standard deviation of 0.5774, and that the statistical value of the T-Test amounted to: 59.948, which is greater than the tabular T. This indicates that the expressions of the appropriateness property are statistically significant at the level of significance of 0.05. In general, it appears that the sample members agree that there is a high level of the effect of the appropriateness characteristic on the quality of financial reports in the banks under study.

Third: The Honest Representation Feature

Table 3. 9.Shows The Results Of Analyzing The Answers Of The Sample Members To The Statements The Characteristic Of Honest Representation

N	Phrases	Weighted Mean	Standard Deviation	T-Test	Sig.	Approval Level	Ranking
16	The accounting information in financial reports honestly expresses the financial position of the bank in a particular period.	4.171	0.7980	43.734	0.000	High	5
17	There must be sufficient objectivity in the financial reports.	4.186	0.8562	40.901	0.000	High	4
18	Financial reports must not contain fake or false information.	4.400	0.8236	44.700	0.000	High	1
19	Financial reporting must be fair and unbiased.	4.357	0.7621	47.836	0.000	High	2
20	The preparation of financial statements in accordance with international	4.257	0.8459	42.107	0.000	High	3

	accounting standards provides reliable information.						
Total		4.274	0.6308	56.694	0.000	High	

The value of the tabulated T: 1.667 at 0.05 and DF 69.

It appears from the above table that:

- Paragraph No. (18) ranked first with an arithmetic mean of: 4.400 and a standard deviation of 0.8236, and the calculated T-value was: 44.700, which is greater than the tabular T-value, which means Paragraph (18) is statistically significant and positive, meaning that the sample members agree with a high level on the Financial reports must not contain false or false information.
- Paragraph No.: (19) ranked second with an arithmetic mean of: 4.357 and a standard deviation of 0.7621, and the calculated T-value was: 47.836, which is greater than the tabular T-value, which means Paragraph (19) is statistically significant and positive, meaning that the sample members agree with a high level on the financial reports must be impartial and unbiased.
- Paragraph No. (20) ranked third with an arithmetic mean of: 4.257 and a standard deviation of 0.8459, and the calculated T-value was: 42.107, which is greater than the tabular T-value, which means Paragraph (20) is statistically significant and positive, meaning that the sample members agree with a high level on the preparation of financial statements in accordance with international accounting standards leads to the provision of truthful information.
- Paragraph No. (17) ranked fourth with an arithmetic mean of: 4.186 and a standard deviation of 0.8562, and the calculated T-value was: 40.901, which is greater than the tabular T-value, which means Paragraph (17) is statistically significant and positive, meaning that the sample members agree with a high level on the financial reports must have a sufficient degree of objectivity.
- Paragraph No. (16) ranked fifth with an arithmetic mean of: 4.171 and a standard deviation of 0.7980, and the calculated T-value was: 43.734, which is greater than the tabular T-value, which means that Paragraph (16) is statistically significant and positive, meaning that the sample members agree with a high level on the accounting

information in the financial reports reflects the financial position of the bank in a particular period honestly.

In general, through the total paragraphs of the characteristic of honest representation, noted the arithmetic mean of the total expressions of the true representation property amounted to 4.274 and a standard deviation of 0.6308, and that the statistical value of the T-Test amounted to: 56.694, which is greater than the value of the tabular T. This indicates that the expressions of the honest representation property are statistically significant at the 0.05 level of significance. In general, it appears that the sample members agree that there is a high level of the effect of honest representation on the quality of financial reports in the banks under study.

Analysis The Third Axis Paragraphs

First: Comparability Feature

Table 3. 10. Shows The Results Of The Analysis Of The Answers Of The Sample Members To The Expressions, The Characteristic Of Comparability

N	Phrases	Weighted Mean	Standard Deviation	T-Test	Sig.	Approval Level	Ranking
21	Accounting information helps in providing actual data for several periods for the purpose of comparison.	4.314	0.6493	55.596	0.000	High	1
22	The comparability property of accounting information helps to measure the liabilities and equity of banks.	4.157	0.6732	51.665	0.000	High	4
23	The bank compares the actual results of the activities and compares them from one period to the next.	4.271	0.7599	47.030	0.000	High	2
24	The comparative feature of accounting information helps to compare with other banks.	3.971	0.8842	37.580	0.000	High	5
25	The accounting information must contain the basic and essential elements needed by the decision maker.	4.229	0.7646	46.268	0.000	High	3
Total		4.189	0.5207	67.297	0.000	High	

The value of the tabulated T: 1.667 at 0.05 and DF 69.

It appears from the above table that:

- Paragraph No. (21) ranked first with an arithmetic mean of: 4.314 and a standard deviation of 0.6493, and the calculated T-value was: 55.596, which is greater than the tabular T-value, which means Paragraph (21) is statistically significant and positive, meaning that the sample members agree at a high level to the accounting information helps in providing actual data for several periods for the purpose of comparison.
- Paragraph No. (23) ranked second with an arithmetic mean of: 4.271 and a standard deviation of 0.7599, and the calculated T-value was: 47.030, which is greater than the tabular T-value, which means Paragraph (23) is statistically significant and positive, meaning that the sample members agree with a high level on the research sample banks compare the actual results of the activities and compare them from one period to another.
- Paragraph No. (25) ranked third with an arithmetic mean of: 4.229 and a standard deviation of 0.5207, and the calculated T-value was: 46.268, which is greater than the

tabular T-value, which means Paragraph (25) is statistically significant and positive, meaning that the sample members agree with a high level on the accounting information must contain the basic and essential elements needed by the decision maker.

- Paragraph No. (22) ranked fourth with an arithmetic mean of: 4.157 and standard deviation 0.6732, and the calculated T-value was: 51.665, which is greater than the tabular T-value, which means Paragraph (22) is statistically significant and positive, meaning that the sample members agree with a high level on the comparability property of accounting information helps to measure liabilities and equity in banks.
- Paragraph No. (24) ranked fifth with an arithmetic mean of: 3.971 and a standard deviation of 0.8842, and the calculated T-value was: 37.580, which is greater than the tabular T-value, which means Paragraph (24) is statistically significant and positive, meaning that the sample members agree with a high level on the comparative feature of accounting information helps to compare with other banks.

In general, through the total paragraphs of a comparable feature, noted the arithmetic mean of the total comparable property phrases amounted to 4.189 and standard deviation 0.5207, and that the statistical value of the T-Test amounted to: 67.297, which is greater than the tabular T-value. This indicates that the comparable property phrases are statistically significant at the level of significance of 0.05. In general, it appears that the sample members agree that there is a high level of the effect of the comparability characteristic on the quality of financial reports in the banks under study.

Second: Understandable Characteristic

Table 3. 11.Shows The Results Of Analyzing The Answers Of The Sample Members To The Phrases, a Characteristic Of Comprehension

N	Phrases	Weighted Mean	Standard Deviation	T-Test	Sig.	Approval Level	Ranking
26	The bank has available qualitative information with a high degree of clarity.	4.200	0.8781	40.019	0.000	High	2
27	The beneficiaries of the financial reports can deal with them even if they are not professional in accounting matters.	3.829	1.1290	28.373	0.000	High	5
28	Understanding financial reports helps make decision-making easier.	4.300	0.8227	43.730	0.000	High	1
29	The financial reporting information is easy to deal with by the beneficiaries because it is arranged in a way that is easy to understand.	3.929	0.9974	32.954	0.000	High	4
30	Financial reports provide information that is user-friendly and easy to understand.	4.000	0.8847	37.830	0.000	High	3
Total		4.051	0.7099	47.747	0.000	High	

The value of the tabulated T: 1.667 at 0.05 and DF 69.

It appears from the above table that:

- Paragraph No. (28) ranked first with an arithmetic mean of: 4.300 and a standard deviation of 0.8227, and the calculated T-value was: 43.730, which is greater than the tabular T-value, which means Paragraph (28) is statistically significant and positive, meaning that the sample members agree at a high level that Understanding financial reports helps in facilitating the decision-making process.
- Paragraph No. (26) ranked second with an arithmetic mean of: 4.200 and a standard deviation of 0.8781, and the calculated T-value was: 40.019, which is greater than the tabular T-value, which means Paragraph (26) is statistically significant and positive, meaning that the sample members agree at a high level that The Bank has qualitative information that is characterized by a high degree of clarity.
- Paragraph No. (30) ranked third with an arithmetic mean of: 4.000 and a standard deviation of 0.8847, and the calculated T-value was: 37.830, which is greater than the tabular T-value, which means Paragraph (30) is statistically significant and positive,

meaning that the sample members agree at a high level that Financial reports provide information that is fluid and easy to understand.

- Paragraph No. (29) ranked fourth with an arithmetic mean of: 3.929 and a standard deviation of 0.9974, and the calculated T-value was: 32.954, which is greater than the tabular T-value, which means Paragraph (29) is statistically significant and positive, meaning that the sample members agree at a high level It is easy to deal with the information of the financial reports by the beneficiaries, because it is arranged in a way that is easy to understand.
- Paragraph No. (27) ranked fifth with an arithmetic mean of: 3.829 and a standard deviation of 1.1290, and the calculated T-value was: 28.373, which is greater than the tabular T-value, which means Paragraph (27) is statistically significant and positive, meaning that the sample members agree at a high level that The beneficiaries of the financial reports can deal with them even if they are not professional in accounting matters.

In general, through the total paragraphs of the comprehensible property, noted the arithmetic mean of the total comprehensible property expressions was 4.051, standard deviation 0.7099, and the statistical value of the T-Test amounted to: 47.747, which is greater than the tabular T. This indicates that the comprehensible property expressions are statistically significant at the significance level 0.05. In general, it appears that the sample members agree that there is a high level of the impact of the comprehensible characteristic on the quality of the financial reports in the banks under study.

Third: Timeliness

Table 3. 12.Shows The Results Of The Analysis Of The Answers Of The Sample Members To The Phrases The Characteristic Of Temporality

N	Phrases	Weighted Mean	Standard Deviation	T-Test	Sig.	Approval Level	Ranking
31	Often accounting information is made available to users when they are needed and in a timely manner.	3.957	0.8754	37.822	0.000	High	4
32	Timing is a relative term, as there is no appropriate specific period for the financial statements to be issued before they lose their ability to influence investment decisions.	3.771	0.8710	36.229	0.000	High	5
33	Management balances between the feasibility of issuing the financial statements in a "convenient" time and between the reliable accounting information that they contain.	3.986	0.7707	43.268	0.000	High	3
34	The accounting information can correct a previous forecast.	4.071	0.8735	38.999	0.000	High	1
35	The accounting information provides feedback on the past performance of the company.	4.029	0.9004	37.433	0.000	High	2
Total		3.963	0.6207	53.417	0.000	High	

The value of the tabulated T: 1.667 at 0.05 and DF 69.

It appears from the above table that:

- Paragraph No. (34) ranked first with an arithmetic mean of: 4.071 and a standard deviation of 0.8735, and the calculated T-value was: 38.999 which is greater than the tabular T-value, which means Paragraph (34) is statistically significant and positive, meaning that the sample members agree at a high level to the That accounting information can correct previous expectations.
- Paragraph No. (35) ranked second with an arithmetic mean of: 4.029 and standard deviation 0.9004, and the calculated T-value was: 37.433, which is greater than the tabular T-value, which means Paragraph (35) is statistically significant and positive, meaning that the sample members agree with a high level on the accounting information provides an adverse feedback on the previous performance of the bank.
- Paragraph No. (33) ranked third with an arithmetic mean of: 3.986 and a standard deviation of 0.7707, and the calculated T-value was: 43.268, which is greater than the

tabular T-value, which means that Paragraph (33) is statistically significant and positive, meaning that the sample members agree with a high level on the management should balance the feasibility of issuing the financial statements in a timely manner and the reliable accounting information contained in these statements.

- Paragraph No. (31) ranked fourth with an arithmetic mean of 3.957 and a standard deviation of 0.8754, and the calculated T-value was 37.822, which is greater than the tabular T-value, which means Paragraph (31) is statistically significant and positive, meaning that the sample members agree with a high level on the That accounting information is often made available to users when they need it in a timely manner.
- Paragraph No. (32) ranked fifth with an arithmetic mean of: 3.771 and a standard deviation of 0.8710, and the calculated T-value was 36.229, which is greater than the tabular T-value, which means Paragraph (32) is statistically significant and positive, meaning that the sample members agree with a high level on the appropriate timing is a relative term, as there is no specific period appropriate for the issuance of the financial statements before they lose their ability to influence investment decisions.

In general, through the total clauses of the temporal property, noted the arithmetic mean of the total temporal property expressions was 3.963, standard deviation 0.6207, and the statistical value of the T-Test amounted to 53.417, which is greater than the tabular T-value. This indicates that the expressions of the temporality property are statistically significant at the significance level (0.05), and in general it is found that the sample members agree that there is a high level of the effect of the temporality property on the quality of financial reports in the banks under study.

Fourth: Verifiability

Table 3. 13.Shows The Results Of Analyzing The Answers Of The Sample Members To The Statements Verifiability Characteristic

N	Phrases	Weighted Mean	Standard Deviation	T-Test	Sig.	Approval Level	Ranking
36	When several interested parties measure any paragraph of the financial statements, they reach almost the same results using the same measurement methods.	4.014	0.7321	45.874	0.000	High	5
37	The figures presented in the financial statements reflect the reality of the events during the financial period and are reliable for decision-making.	4.172	0.6588	52.980	0.000	High	1
38	The financial figures extracted from the accounting information system are identical in substance and substance with the financial conditions that emerged from them.	4.129	0.7406	46.643	0.000	High	3
39	The financial statements are prepared in accordance with international accounting standards, and in accordance with the policies set by the management.	4.170	0.7217	48.356	0.000	High	2
40	The information contained in the financial statements is safe to use because it is free from material and material errors.	4.100	0.7830	43.811	0.000	High	4
Total		4.117	0.5703	60.404	0.000	High	

The value of the tabulated T: 1.667 at 0.05 and DF 69.

It appears from the above table that:

- Paragraph No. (37) ranked first with an arithmetic mean of 4.172 and a standard deviation of 0.6588, and the calculated T-value was 52.980, which is greater than the tabular T-value, which means that paragraph (37) is statistically significant and positive, meaning that the sample members agree at a high level that The figures contained in the financial statements about the reality of events during the financial period and are reliable in making decisions.
- Paragraph No. (39) occupied the second place with an arithmetic mean of 4.170 and a standard deviation of 0.7217, and the calculated T-value was 48.356, which is greater than the tabular T-value, which means Paragraph (39) is statistically significant and

positive, meaning that the sample members agree with a high level on the That the financial statements are prepared in accordance with international accounting standards, and in accordance with the policies set by the management.

- Paragraph No. (38) ranked third with an arithmetic mean of: 4.129 and a standard deviation of 0.7406, and the calculated T-value was 46.643, which is greater than the tabular T-value, which means Paragraph (38) is statistically significant and positive, meaning that the sample members agree with a high level on the That the financial figures extracted from the accounting information system match in substance and content with the financial conditions that emerged from it.
- Paragraph No. (40) ranked fourth with an arithmetic mean of 4.100 and a standard deviation of 0.7830, and the calculated T-value was 43.811, which is greater than the tabular T-value, which means Paragraph (40) is statistically significant and positive, meaning that the sample members agree with a high level on the information included in the financial statements is safe to use because it is free from material misstatement.
- Paragraph No. (36) ranked fifth with an arithmetic mean of 4.014 and a standard deviation of 0.7321, and the calculated T-value was 45.874, which is greater than the tabular T-value, which means paragraph (36) is statistically significant and positive, meaning that the sample members agree with a high level on the That when several interested parties measure any paragraph of the financial statements, they reach almost the same results using the same measurement methods.

In general, through the total verifiability property paragraphs, noted the arithmetic mean of the total verifiability property expressions amounted to 4.117 and a standard deviation of 0.5703 and that the statistical value of the T-Test amounted to 60.404 which is greater than the tabular T-value. This indicates that the verifiability property statements are statistically significant at the 0.05 level of significance. In general, it appears that the sample members agree that there is a high level of the effect of verifiability on the quality of financial reports in the banks under study.

3.8.3.4. Explanatory Factor Analysis

An explanatory factor analysis was conducted on the data consisting of 40 variables to measure the effect of the qualitative characteristics of accounting information on the quality of banks' financial reports. Where the explanatory factor analysis is used to deal with multiple data that were linked to each other with different degrees of correlation to be summarized in the form of independent classifications based on qualitative bases for classification and to explore their common characteristics. Thus, the main objective of the factor analysis is to distribute the variables into small groups, each of which is called a factor for these variables based on the common information they carry as follows:

Factor analysis (KMO) Kaiser-Meyer-Olkin and (BTS) Bartlett's Test of Sphericity, in order to know the suitability of the data for factor analysis and measure the adequacy of the sample. As shown in Table No. 3.14. The value of the Kaiser-Meyer-Olkin test (KMO) was equal to (0.770), which is greater than (0.05), and this is a good result that indicates an increase in the reliability of the factors that we obtain from the factorial analysis, as well as we judge the sufficiency of the sample size and it appears that it is ideal. In addition, in factor analysis, it is desirable to have a high correlation between the study variables, and this relationship is measured using the (BTS) test of Sphericity Bartlett's Test, which showed that the level of significance of the (BTS) test is 0.0001, which is less than 0.05 than this indicates an indication of the significance of the studied phenomenon. This means that the sample size is data suitable for factor analysis.

Table 3. 14.(KMO) And (BTS) Test Results

Kaiser-Meyer-Olkin	0.770
(BTC)	1927.351
DF	780
P	0.0001

After determining whether the data used in the research are suitable for factor analysis, the explanatory factor analysis was conducted using principal components analysis and the application of Varimax rotation method to examine the scale factor structure. Whereas, principal component analysis is a method of dimensionality reduction used in multidimensional data sets. It is performed in order to represent the structure shown by a large

number of variables with a correlation between them, with a smaller number of uncorrelated variables. Since the factor loads for the elements were more than 0.45, no element was removed from the scale and eight factors were formed as a result of explanatory factor analysis, and the expressions in the factors were taken into account. According to the dimensions of the financial reporting quality scale for banks, the factors were named as follows:

Factor 1: Interest

Factor 2: Honest Representation

Factor 3: Objectivity

Factor 4: Understandability

Factor 5: temporality

Factor 6: Appropriateness

Factor 7: Disclosure

Factor 8: Comparability

As all of these factors constitute the quality of banks' financial reports. Accordingly, Table 3.14. Was created, which shows the factors for loading the items that were collected under the factors and as shown in Table 3.15.

Table 3. 15. Analysis of The Variance Ratio Factor In The Measure Of The Quality Of Financial Reports For Banks

N	Factors	Variance	Percent	Cum Percent
1	interest	4.5891	11.473	11.473
2	Honest Representation	4.1757	10.439	21.912
3	Objectivity	3.7397	9.349	31.261
4	Understandability	3.1834	7.958	39.220
5	temporality	2.9655	7.414	46.634
6	Appropriateness	2.8442	7.110	53.744
7	Disclosure	2.7951	6.988	60.732
8	Comparability	2.7543	6.886	67.618

It is evident from Table 3.15. That we have reached eight factors as a result of analyzing the explanatory factor due to the fact that their specific values (the potential root) are greater than the correct one, and Varimax was used, and the percentages of interpretation of variances from the total variance of each factor were reached. We find that the first major factor has the largest latent root and is equal to 4.5891 and it explains 11.473 % of the total discrepancies in

the quality of banks' financial reports. While we find that the second factor explains 10.439 %, and the percentage of what the two factors explain together amounted to 21.912 % of the total variance. While we find that the percentage of variance explained by the eighth factor became 6.886% of the total variance, while the eight factors together explain the rate of 67.618 %.

Factor 1: interest

X9. The cost of obtaining the accounting information is important for making decisions So that the utility of the information must be greater than the cost of obtaining it.	0.753346
X8.Good accounting information is the most useful information in the area of rationalizing decisions.	0.736372
X38.the financial figures extracted from the accounting information system are identical in Substance and substance with the financial conditions that emerged from them.	0.568672
X7.the utility of an appropriate decision to use the information is the general rule for the Importance of accounting information to a bank.	0.558697
X10.the accounting information prepared according to the usefulness of the accounting Information is distinguished by obtaining it for appropriate decision-makers at an appropriate cost.	0.532327
X5.preparing financial statements according to the basic characteristics helps in providing the Ability to evaluate past results.	0.508612

Factor 2: Honest Representation

X18.Financial reports must not contain fake or false information.	0.827351
X19.financial reporting must be fair and unbiased.	0.826373
X20.the preparation of financial statements in accordance with international accounting Standards provides reliable information.	0.692942
X28.Understanding financial reports helps make decision-making easier.	0.666107

Factor 3: Objectivity

X17. There must be sufficient objectivity in the financial reports.	0.679594
X16. the accounting information in financial reports honestly expresses the financial position of the bank in a particular period.	0.608994
X35. the accounting information provides feedback on the past performance the of company.	0.543936
X14. the information obtained from the financial reports is accurate for making decisions.	0.510930

Factor 4: Understandability

X29. the financial reporting information is easy to deal with by the beneficiaries because it is arranged in a way that is easy to understand.	0.799088
X30. Financial reports provide information that is user-friendly and easy to understand.	0.725834
X31. often accounting information is made available to users when they are and in a needed Timely manner.	0.569087
X27. the beneficiaries of the financial reports can deal with them even if they are not Professional in accounting matters.	0.513158

Factor 5: temporality

X32. Timing is a relative term, as there is no appropriate specific period for the financial Statements to be issued before they lose their ability to influence investment decisions.	0.716549
X36. when several interested parties' measure any paragraph of the financial statements, they reach almost the same results using the same measurement methods.	0.583896
X40. the information contained in the financial statements is safe to use because it is free from material and material errors.	0.561529

Factor 6: Appropriateness

X34.the accounting information can correct a previous forecast.	0.727148
X11.preparing financial statements according to the appropriateness of the information enhances the predictive power of accounting information.	0.686346
X12.the accounting information relied upon in making decisions is timely.	0.571616

Factor 7: Disclosure

X1.the bank's management relies on accounting information while carrying out its various Activities and work to take appropriate decisions (such as investment and credit decisions).	0.804661
X2.the accounting policy used in preparing the financial statements and the changes in them are disclosed.	0.532334
X6.The usefulness of accounting information has the importance and influence in taking appropriate decisions.	0.529112

Factor 8: Comparability

X22.the comparability property of accounting information helps to measure the liabilities and equity of banks.	0.821857
X21.Accounting information helps in providing actual data for several periods for the purpose of comparison.	0.741790

As a result of factor analysis, eight data were found in the Banks Financial Reporting Quality Scale. Dimensions these eight dimensions can explain 67.618 % of the total variance.

3.9. STUDY HYPOTHESES TEST

There are no statistically significant differences at the significance level of 0.05 in the opinions of the study sample members about the impact of the qualitative characteristics of accounting information on the quality of banks' financial reports due to Sex (H.1.1) and (H2.2).

Table 3. 16.T-Test Results According To The Differences Between The Respondents' Answers Due To Sex

Axes	Axis Address	Sex	N	Average Arithmetic	Standard Deviation	T-Value	P-Value
1	The keenness of commercial banks to provide the qualitative characteristics of accounting information in their published financial reports.	female	44	4.26364	0.618735	-0.08014	0.9426
		Male	26	4.25385	0.4022246		
2	The impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.						
2-1	The effect of the interest characteristic on the quality of banks' financial reports.	female	44	4.16818	0.6846397	-0.6483	0.5191
		Male	26	4.06923	0.4798077		
2-2	The effect of the appropriateness property on the quality of banks' financial reports.	female	44	4.16818	0.6540652	-0.58228	0.5623
		Male	26	4.08462	0.4239739		
2-3	The effect of honest representation on the quality of banks' financial reports.	female	44	4.21364	0.7574716	1.047232	0.2987
		Male	26	4.37692	0.3063432		
3	The effect of qualitative enhancing characteristics of accounting information on the quality of banks' financial reports.						
3-1	The effect of comparability on the quality of banks' financial reports.	female	44	4.20455	0.5481277	-0.33171	0.7411
		Male	26	4.16154	0.4800641		
3-2	The effect of comprehensible property on the quality of banks' financial reports.	female	44	4.12273	0.7385919	-1.09468	0.2775
		Male	26	3.93077	0.6546872		
3-3	The effect of the property of timeliness on the quality of banks' financial reports.	female	44	4.01818	0.6524632	-0.9697	0.3356
		Male	26	3.86923	0.5626859		
3-4	The effect of verifiability on the quality of banks' financial reports.	female	44	4.19091	0.6037935	-1.41816	0.1607
		Male	26	3.99231	0.4947105		
All Axes		female	44	4.16875	0.5561005	-0.63436	0.5280
		Male	26	4.09231	0.3370289		

The tabular T value at the DF of "69" at significance of 0.05 equals 1.995.

To test this hypothesis, the T-Test was used for the difference between the average opinions of the study sample members about the effect of the qualitative characteristics of accounting information on the quality of banks' financial reports, due to Sex. The results are shown in Table 3.16. which shows that the calculated absolute T-value for all axes combined is equal to 0.63436, which is less than the tabular T-value, which is equal to 1.995, and the significance level value for all axes is equal to 0.5280, which is greater than 0.05, which indicates that There are no statistically significant differences at the 0.05 level in the opinions

of the study sample members due to sex (**H1.1, H.1.1.1, H.1.1.2, H.1.1.3 are acceptable**) and (**H2.1, H2.1.1, H2.1.2, H2.1.3, H2.1.4 are acceptable**).

There are no statistically significant differences at the significance level of 0.05 in the opinions of the study sample members about the impact of the qualitative characteristics of accounting information on the quality of banks' financial reports due to age (H1.2) and (H2.2).

Table3. 17.Results Of One-Way ANOVA Between The Respondents' Answers Due To Age

Axes	Axis Address	Contrast Source	Sum of Squares	DF	Mean Squares	F-Value	P-Value
1	The keenness of commercial banks to provide the qualitative characteristics of accounting information in their published financial reports.	between groups	0.178554	6	0.178554	0.5972	0.4423
		within groups	20.329446	63	0.298962		
		Total	20.508	69			
2	The impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.						
2-1	The effect of the interest characteristic on the quality of banks' financial reports	between groups	0.285361	6	0.285361	0.7525	0.3887
		within groups	25.785497	63	0.379198		
		Total	26.070857	69			
2-2	The effect of the appropriateness property on the quality of banks' financial reports	between groups	0.010741	6	0.010741	0.0318	0.8591
		within groups	22.992687	63	0.338128		
		Total	23.003429	69			
2-3	The effect of honest representation on the quality of banks' financial reports	between groups	0.516775	6	0.516775	1.3046	0.2574
		within groups	26.936939	63	0.396131		
		Total	27.453714	69			
3	The effect of qualitative enhancing characteristics of accounting information on the quality of banks' financial reports.						
3-1	The effect of comparability on the quality of banks' financial reports	between groups	0.453083	6	0.453083	1.6875	0.1983
		within groups	18.257774	63	0.268497		
		Total	18.710857	69			

3-2	The effect of comprehensible property on the quality of banks' financial reports	between groups	0.770251	6	0.770251	1.5403	0.2188
		within groups	34.004606	63	0.500068		
		Total	34.774857	69			
3-3	The effect of the property of timeliness on the quality of banks' financial reports	between groups	0.136222	6	0.136222	0.3502	0.5559
		within groups	26.447206	63	0.38893		
		Total	26.583429	69			
3-4	The effect of verifiability on the quality of banks' financial reports	between groups	0.000657	6	0.000657	0.002	0.9645
		within groups	22.438771	63	0.329982		
		Total	22.439429	69			

The tabular F value at the DF of "6, 63" at significance of 0.05 equals 2.25.

The one-way analysis of variance test was used to test the differences between the respondents' answers about the impact of the qualitative characteristics of accounting information on the quality of banks' financial reports due to age, and the results are shown in Table 3.17. Which shows that the value of the significance level for each of the axes is greater than 0.05 Also, the calculated F-value for each of the axes was less than the tabulated F-value, which is 2.25. Which indicates that there are no differences in the respondents' answers in each of the axes due to age **(H1.2, H.1.2.1, H.1.2.2, H.1.2.3 are acceptable) and (H2.2, H2.2.1, H2.2.2, H2.2.3, H2.2.4 are acceptable).**

There are no statistically significant differences at the significance level of 0.05 in the opinions of the study sample members about the impact of the qualitative characteristics of accounting information on the quality of banks' financial reports due to academic achievement **(H1.3) and (H2.3).**

Table3. 18.Results Of One Way ANOVA Between The Respondents' Answers Due To Academic Achievement

Axes	Axis Address	Contrast Source	Sum of Squares	DF	Mean Squares	F-Value	P-Value
1	The keenness of commercial banks to provide the qualitative characteristics of accounting information in their published financial reports.	between groups	0.164914	4	0.041229	0.1317	0.9702
		within groups	20.343086	65	0.312971		
		Total	20.508000	69			
2	The impact of the basic qualitative characteristics of						

	accounting information on the quality of banks' financial reports.						
2-1	The effect of the interest characteristic on the quality of banks' financial reports	between groups	0.353486	4	0.088371	0.2234	0.9244
		within groups	25.717371	65	0.395652		
		Total	26.070857	69			
2-2	The effect of the appropriateness property on the quality of banks' financial reports	between groups	0.233486	4	0.058371	0.1666	0.9546
		within groups	22.769943	65	0.350307		
		Total	23.003429	69			
2-3	The effect of honest representation on the quality of banks' financial reports	between groups	0.147771	4	0.036943	0.0879	0.9859
		within groups	27.305943	65	0.420091		
		Total	27.453714	69			
3	The effect of qualitative enhancing characteristics of accounting information on the quality of banks' financial reports.						
3-1	The effect of comparability on the quality of banks' financial reports	between groups	0.277714	4	0.069429	0.2448	0.9118
		within groups	18.433143	65	0.283587		
		Total	18.710857	69			
3-2	The effect of comprehensible property on the quality of banks' financial reports	between groups	0.327657	4	0.081914	0.1546	0.9603
		within groups	34.447200	65	0.529957		
		Total	34.774857	69			
3-3	The effect of the property of timeliness on the quality of banks' financial reports	between groups	0.089943	4	0.022486	0.0552	0.9942
		within groups	26.493486	65	0.407592		
		Total	26.583429	69			
3-4	The effect of verifiability on the quality of banks' financial reports	between groups	0.244343	4	0.061086	0.1789	0.9485
		within groups	22.195086	65	0.341463		
		Total	22.439429	69			

The tabular F value at the DF of "4, 65" at significance level of 0.05 equals 2.52.

The one-way analysis of variance test was used to test the differences between the respondents' answers about the impact of the qualitative characteristics of accounting information on the quality of banks' financial reports due to academic achievement, and the

results are shown in Table 3.18. Which shows that the value of the significance level for each of the axes is greater than 0.05 Also, the calculated F-value for each of the axes was less than the tabular F-value, which is 2.53. Which indicates that there are no differences in the respondents' answers in each of the axes due to academic achievement **(H1.3, H.1.3.1, H.1.3.2, H.1.3.3 are acceptable) and (H2.3, H2.3.1, H2.3.2, H2.3.3, H2.3.4 are acceptable).**

There are no statistically significant differences at the significance level of 0.05 in the opinions of the study sample members about the impact of the qualitative characteristics of accounting information on the quality of banks' financial reports due to the number of years of experience (H1.4) and (H2.4).

Table 3. 19.Results Of One Way ANOVA Between The Respondents' Answers Due To The Number of Years Of Experience

Axes	Axis Address	Contrast Source	Sum of Squares	DF	Mean Squares	F-Value	P-Value
1	The keenness of commercial banks to provide the qualitative characteristics of accounting information in their published financial reports.	between groups	2.077410	5	0.415482	1.4428	0.2212
		within groups	18.430590	64	0.287978		
		Total	20.508000	69			
2	The impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.						
2-1	The effect of the interest characteristic on the quality of banks' financial reports	between groups	1.172876	5	0.234575	0.6030	0.6978
		within groups	24.897981	64	0.389031		
		Total	26.070857	69			
2-2	The effect of the appropriateness property on the quality of banks' financial reports	between groups	1.160781	5	0.232156	0.6802	0.6400
		within groups	21.842648	64	0.341291		
		Total	23.003429	69			
2-3	The effect of honest representation on the quality of banks' financial reports	between groups	1.255314	5	0.251063	0.6133	0.6900
		within groups	26.198400	64	0.409350		
		Total	27.453714	69			
3	The effect of qualitative enhancing characteristics of accounting information on the quality of banks' financial reports.						

3-1	The effect of comparability on the quality of banks' financial reports	between groups	0.963733	5	0.192747	0.6951	0.6291
		within groups	17.747124	64	0.277299		
		Total	18.710857	69			
3-2	The effect of comprehensible property on the quality of banks' financial reports	between groups	2.496000	5	0.499200	0.9898	0.4311
		within groups	32.278857	64	0.504357		
		Total	34.774857	69			
3-3	The effect of the property of timeliness on the quality of banks' financial reports	between groups	2.151314	5	0.430263	1.1271	0.3552
		within groups	24.432114	64	0.381752		
		Total	26.583429	69			
3-4	The effect of verifiability on the quality of banks' financial reports	between groups	2.167067	5	0.433413	1.3683	0.2480
		within groups	20.272362	64	0.316756		
		Total	22.439429	69			

The tabular value of F at the DF of "5, 64" at significance of 0.05 equals 2.37.

The one-way analysis of variance test was used to test the differences between the respondents' answers about the impact of the qualitative characteristics of accounting information on the quality of banks' financial reports due to number of years of experience, and the results are shown in Table 3.19. Which shows that the value of the significance level for each of the axes is greater than 0.05 Also, the calculated F-value for each of the axes was less than the tabular F-value, which is 2.37. Which indicates that there are no differences in the respondents' answers in each of the axes due to the number of years of experience **(H1.4, H.1.4.1, H.1.4.2, H.1.4.3 are acceptable) and (H2.4, H2.4.1, H2.4.2, H2.4.3, H2.4.4 are acceptable).**

There are no statistically significant differences at the significance level of 0.05 in the opinions of the study sample members about the impact of the qualitative characteristics of accounting information on the quality of banks' financial reports due to specialization **(H1.5) and (H2.5).**

Table 3. 20.Results Of One Way ANOVA Between The Respondents' Answers Due To Specialization

Axes	Axis Address	Contrast Source	Sum of Squares	DF	Mean Squares	F-Value	P-Value
1	The keenness of commercial banks to provide the qualitative characteristics of	between groups	0.458000	4	0.114500	0.3712	0.8283

	accounting information in their published financial reports.	within groups	20.050000	65	0.308462		
		Total	20.508000	69			
2	The impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.						
2-1	The effect of the interest characteristic on the quality of banks' financial reports	between groups	0.322190	4	0.080548	0.2033	0.9357
		within groups	25.748667	65	0.396133		
		Total	26.070857	69			
2-2	The effect of the appropriateness property on the quality of banks' financial reports	between groups	0.515429	4	0.128857	0.3725	0.8274
		within groups	22.488000	65	0.345969		
		Total	23.003429	69			
2-3	The effect of honest representation on the quality of banks' financial reports	between groups	1.469714	4	0.367429	0.9191	0.4583
		within groups	25.984000	65	0.399754		
		Total	27.453714	69			
3	The effect of qualitative enhancing characteristics of accounting information on the quality of banks' financial reports.						
3-1	The effect of comparability on the quality of banks' financial reports	between groups	0.290190	4	0.072548	0.2560	0.9050
		within groups	18.420667	65	0.283395		
		Total	18.710857	69			
3-2	The effect of comprehensible property on the quality of banks' financial reports	between groups	1.194190	4	0.298548	0.5779	0.6797
		within groups	33.580667	65	0.516626		
		Total	34.774857	69			
3-3	The effect of the property of timeliness on the quality of banks' financial reports	between groups	0.662762	4	0.165690	0.4155	0.7969
		within groups	25.920667	65	0.398779		
		Total	26.583429	69			
3-4	The effect of verifiability on the quality of banks' financial reports	between groups	1.155429	4	0.288857	0.8822	0.4796
		within groups	21.284000	65	0.327446		
		Total	22.439429	69			

The tabular F value at the DF of "4, 65" at significance level of 0.05 equals 2.52.

The one-way analysis of variance test was used to test the differences between the respondents' answers about the impact of the qualitative characteristics of accounting information on the quality of banks' financial reports due to specialization, and the results are shown in Table 3.20. Which shows that the value of the significance level for each of the axes is greater than (0.05) Also, the calculated F-value for each of the axes was less than the

tabulated F-value, which is (2.53). Which indicates that there are no differences in the respondents' answers in each of the axes attributed to specialization **(H1.5, H.1.5.1, H.1.5.2, H.1.5.3 are acceptable) and (H2.5, H2.5.1, H2.5.2, H2.5.3, H2.5.4 are acceptable).**

There are no statistically significant differences at the significance level of 0.05 in the opinions of the study sample members about the impact of the qualitative characteristics of accounting information on the quality of banks' financial reports due to the job title **(H1.6) and (H2.6).**

Table 3. 21.Results Of One Way ANOVA Between The Respondents' Answers Due To The Job Title

Axes	Axis Address	Contrast Source	Sum of Squares	DF	Mean Squares	F-Value	P-Value
1	The keenness of commercial banks to provide the qualitative characteristics of accounting information in their published financial reports.	between groups	0.819175	4	0.204794	0.6761	0.6110
		within groups	19.688825	65	0.302905		
		Total	20.508000	69			
2	The impact of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.						
2-1	The effect of the interest characteristic on the quality of banks' financial reports	between groups	1.323231	4	0.330808	0.8689	0.4875
		within groups	24.747626	65	0.380733		
		Total	26.070857	69			
2-2	The effect of the appropriateness property on the quality of banks' financial reports	between groups	0.459509	4	0.114877	0.3312	0.8560
		within groups	22.543919	65	0.346830		
		Total	23.003429	69			
2-3	The effect of honest representation on the quality of banks' financial reports	between groups	1.722096	4	0.430524	1.0875	0.3701
		within groups	25.731618	65	0.395871		
		Total	27.453714	69			
3	The effect of qualitative enhancing characteristics of accounting information on the quality of banks' financial reports.						
3-1	The effect of comparability on the quality of banks' financial reports	between groups	0.832482	4	0.208121	0.7567	0.5573
		within groups	17.878375	65	0.275052		
		Total	18.710857	69			
3-2	The effect of comprehensible property on the quality of banks' financial reports	between groups	4.416985	4	1.10425	2.3643	0.0620

		within groups	30.357872	65	0.46704		
		Total	34.774857	69			
3-3	The effect of the property of timeliness on the quality of banks' financial reports	between groups	1.120588	4	0.280147	0.7151	0.5846
		within groups	25.462840	65	0.391736		
		Total	26.583429	69			
3-4	The effect of verifiability on the quality of banks' financial reports.	between groups	3.022865	4	0.755716	2.5299	0.0488*
		within groups	19.416563	65	0.298716		
		Total	22.439429	69			

The tabular F value at the DF of "4, 65" at significance level of 0.05 equals 2.52.

The one-way analysis of variance test was used to test the differences between the respondents' answers about the impact of the qualitative characteristics of accounting information on the quality of banks' financial reports due to the job title. The results are shown in Table 3.21. Which shows that the value of the significance level of the effect of the verifiability characteristic on the quality of financial reports for banks is 0.0488, which is less than 0.05, and the calculated F-value is equal to 2.5299, which is greater than the tabular F-value, which is equal to 2.52. Which indicates that there are statistically significant differences at the 0.05 level in the effect of the verifiability characteristic on the quality of banks' financial reports due to the job title **(H2.6.4 is rejected)**.

The value of the significance level for the rest of the other axes is greater than 0.05, and the calculated F-value for each of the other axes is less than the tabular value of F which is 2.53. Which indicates that there are no differences in the respondents' answers in each of the other axes due to the job title **(H1.6, H.1.6.1, H.1.6.2, H.1.6.3 are acceptable) and (H2.6, H2.6.1, H2.6.2, H2.6.3 are acceptable)**.

CONCLUSIONS

The impact of useful accounting information appears among users and decision-makers. This type of information should increase the knowledge of decision-makers and reduce their degree of uncertainty and help them reach rational decisions. In contrast, not relying on accounting information that is characterized by the necessary qualitative characteristics is one of the most important Reasons for making the wrong decisions. And thus caused the users of this information to make mistakes that cost them dearly, and experience has proven that the presentation of incorrect accounting information in financial reports led to the collapse of many companies and banks. For this reason, attention has been directed towards preparing financial reports and providing accounting information in accordance with the agreed upon international accounting standards in order to give confidence to users of this information.

Most of the information that users and decision makers need is accounting information and is obtained from financial reports published by banks. Where the accounting information presented in the financial reports is characterized by a high level of quality of value and a main source on which its users rely in rationalizing the decision-making process. Otherwise, such reports are unhelpful and misleading to their users.

From this point of view, this research was conducted in Sulaymaniyah Governorate in order to identify the extent of keenness of commercial banks in presenting accounting information that has qualitative characteristics in their published financial reports. And the impact of the qualitative characteristics of accounting information on the quality of published financial reports. In addition to clarifying the relationship between the qualitative characteristics of accounting information and the quality of published financial reports. The higher the quality of the accounting information in the published financial reports, the greater the importance of the accounting information contained therein by users.

It is noticeable in the survey that was conducted with 70 individuals, it was found that the majority of the participants are female, and the age of the majority of them ranges between 29 to 35 years, and that more than half of the participants have experience from 6 to 15 years. Also, most of them have a high degree of bachelor's degree, and a scientific specialization in

the field of accounting, finance and banking, so we find that most of the members of the study sample are those who work as accountants, auditors and financial managers in the accounts departments of these banks, and most of them are aware of and constantly follow up on international accounting standards.

In the study, the extent of the impact of a set of data on accounting information was examined, as the paragraph that states that accounting standards have an impact on accounting information ranked first in the participants' approval, with a rate of 85.714%. And the paragraph that states that culture has an impact on accounting information ranked second, with a rate of 84.286%. And the paragraph that states that the tax system has an impact on accounting information is ranked third with a rate of 81.429 %. And the paragraph that states that the accounting infrastructure and professional accounting institutions have an impact on accounting information is ranked fourth by 80%. And the paragraph that states that the legal system has an impact on accounting information ranks fifth with a rate of 78.571%. And the paragraph that states that the level of development of financial markets has an impact on accounting information ranked sixth with a rate of 77.143%. And the paragraph that states that the competitive environment has an impact on accounting information ranked seventh with a rate of 62.857%. And the paragraph that states that social and economic conditions have an impact on accounting information is ranked eighth with a percentage of 61.429 %. And the paragraph that states that the political system has an impact on accounting information is ranked ninth with a percentage of 60%.

The relationship between the qualitative characteristics of accounting information and the quality of financial reports in commercial banks was also examined. The results of the field study reveal to us that there is a positive, very strong and statistically significant relationship between the qualitative characteristics of accounting information and the quality of financial reports in commercial banks. And that the sample members agree with a high degree on the impact of the qualitative characteristics of accounting information on the quality of financial reports in the commercial banks under study. By analyzing the data and testing hypotheses, will present the results obtained as follows:

- The results of the research reveal that there is a statistically significant relationship to the effect of the benefit characteristic, where was noted that the feature of the usefulness of accounting information has an impact in reducing the uncertainty of the decision maker, increasing the degree of knowledge they have and rationalizing them in making appropriate decisions. The benefit of accounting information is greater than the cost of obtaining it, because accounting information prepared according to the feature of interest is of an appropriate cost.
- There is also a statistically significant relationship to the effect of the relevance characteristic, as the adequacy of accounting information has an impact on giving strong indications about the future, which helps users in making predictions for future results or enhancing or correcting previous predictions, and thus enhances the predictive ability of accounting information on decisions related to future predictions. And in reducing the degree of uncertainty among users and rationalizing them to take appropriate decisions.
- There is a statistically significant relationship to the effect of the characteristic of honest representation, as the characteristic of honest representation has an effect on that the information obtained from the financial reports expresses the financial position of the bank in a certain period honestly and does not contain false or false information, and has a sufficient degree of objectivity. It is impartial and impartial.
- There is a statistically significant relationship to the effect of the comparability characteristic, where the comparability feature helps that the accounting information in the financial reports contains the basic and essential elements needed by the decision maker, and actual data for several periods in order to compare them from one period to another for the bank, and with other banks.
- There is a statistically significant relationship to the effect of the comprehensible property, according to the comprehensible property. The accounting information is presented in the financial reports by dynasty and is arranged in a way that is easy to understand and characterized by a high degree of clarity. It is easy for the beneficiaries to deal with the information in the financial reports even if they are not professional in accounting matters, and thus contribute to facilitating the decision-making process.

- There is a statistically significant relationship to the effect of the time characteristic, as it provides accounting information to users when they need it at the right time. It contributes to the management's balance between the feasibility of issuing financial statements in a timely manner and the reliable accounting information contained in these statements before they lose their ability to influence decisions.
- There is a statistically significant relationship to the effect of the verifiability characteristic, according to which the numbers contained in the financial reports express the reality of events during the financial period, and correspond in terms of substance and content with the financial conditions that emerged from it, which contributes to the reliance on financial reports by users to take decisions.
- There are no differences in the response of the participants' opinions in the study due to the variables (sex, age, educational attainment, number of years of experience, specialization) at the significance level of $\alpha = 0.05$.
- There are differences in the response of the participants' opinions in the study due to the job title at the significance level of $\alpha = 0.05$.
- The results of the unilabiate analysis of the sample trends with regard to the effect of the qualitative characteristics of accounting information on the quality of financial reports in Iraqi commercial banks attributable to the job title showed that there are statistically significant differences at the level of statistical significance $0.05 = \alpha$. Between the estimates of the study sample members in the impact of the ability property checking the quality of banks' financial reports due to job title.

As a result, the following has been suggested:

Working to enhance the availability of qualitative characteristics of accounting information in the annual reports of Iraqi commercial banks as follows:

- The benefit feature: The availability of the interest feature in the financial reports of commercial banks can be enhanced through the annual report containing information that is understandable to the decision maker and reduces his cases of uncertainty, and contributes to increasing the degree of knowledge of users. Determining the alternative that provides the most useful information for decision-making purposes.

- Suitability feature: The availability of the suitability feature can be enhanced in the financial reports of commercial banks through the annual report containing information that gives strong indications about the future in normal conditions and is characterized by predictive value and confirmatory value or both, as it helps the user in forming expectations and predictions of future results or strengthening or correcting previous forecasts.
- The characteristic of honest representation: the availability of the characteristic of honest representation in the financial reports of commercial banks can be enhanced through the annual report containing information characterized by accuracy and a high degree of conformity with the phenomena to be reported. And that the information appearing in the financial reports with the accounting events represented honestly and fairly. Also, the information in the financial reports must be complete and comprehensive so as to take into account the needs of all parties using accounting information and not to be biased towards one party at the expense of another.
- Comparability feature: The availability of the comparability feature in the financial reports of commercial banks can be enhanced by clarifying in the annual report the accounting policies used in preparing financial reports, the reason for any changes, if any, in these policies and the effect resulting from those changes to users. The annual report should contain financial indicators and ratios that clarify the financial information contained in the annual report. It also requires the bank to conduct a comparison with similar banks in the market that apply analogous accounting procedures and measurement concepts, which makes the comparison process useful in the bank's annual report.
- Verifiability feature: The availability of the verifiability feature in the financial reports of commercial banks can be enhanced by providing information in the annual report that is free from the personal bias of the measurer. In the sense that the accounting measurement is objective and avoids the information from the bias of the operator.
- Timeliness: The availability of the appropriate timeliness feature in the financial reports of commercial banks can be enhanced by making sure that financial reports are prepared and published in a timely manner so that the accounting information is

appropriate for decision makers. The bank must submit interim reports for short periodic quarters or semi-annual periods in addition to the traditional annual financial reports. Provided that the period that elapses between the end of the financial cycle for which the reports are prepared and the date of publishing those reports and making them available for circulation should not be long after the lapse of the financial year.

- The comprehensible feature: The availability of the comprehensible feature of the financial reports of commercial banks can be enhanced by providing annual reports in an organized manner that contain simple, clear and uncomplicated information through the use of clear-meaning and easy-to-understand titles, and the financial reports contain graphs, charts and comparison tables. Putting data into groups that are meaningful to the user, and explaining everything that may be difficult for the user to understand.

Also recommendation the opening of continuous training courses for employees of the accounting system in commercial banks on the concepts of the quality of accounting information and accounting standards issued by local and international bodies and organizations to enable them to view the developments that occur in accounting. Emphasis on the commitment of accountants when preparing financial reports to international and local rules and standards for accounting presentation and disclosure with the aim of providing accounting information that is useful to users. And consistency in the accounting methods and policies used in recording, processing and presenting accounting information in financial reports so that the financial information is more appropriate and reliable for users. And obligating banks to clarify the accounting information published in their financial reports using graphs, charts and comparison tables, as it helps to be more comprehensible to the accounting information for users. It is necessary to pay attention to the culture and awareness of the users of financial reports in order to understand the information presented in the published financial reports and to use it in making decisions.

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APPENDICES

APPENDIX.1.QUESTIONNAIRE FORM

THE EFFECT OF THE QUALITATIVE CHARACTERISTICS OF ACCOUNTING INFORMATION ON THE QUALITY OF FINANCIAL REPORTS OF COMMERCIAL BANKS - AN APPLIED STUDY IN A SAMPLE OF COMMERCIAL BANKS IN IRAQ

I put in your hands the questionnaire, asking you to answer the phrases it contains that will lead to my help in achieving the objectives of the study, and to come up with recommendations that may serve scientific research, noting that the information received will be treated with complete confidentiality and used for scientific research purposes only.

With my best regards.

Rokan Ramzi FAIQ

Associate Prof. Mihriban COŞKUN ARSLAN

The first section: Information about the study variables and includes the following axes:

The first axis: the keenness of commercial banks to provide the qualitative characteristics of accounting information in their published financial reports.

N	PHRASES	I don't strongly agree	I don't agree	Neutral	Agrees	Agree Strongly
1	The bank's management relies on accounting information while carrying out its various activities and work to take appropriate decisions (such as investment and credit decisions).					
2	The accounting policy used in preparing the financial statements and the changes in them are disclosed.					
3	The use of qualitative information increases the degree of certainty regarding alternatives to decisions.					
4	Financial reports provide management with all its accounting information needs for decision-making.					
5	Preparing financial statements according to the basic characteristics helps in providing the ability to evaluate past results.					

The second axis: the effect of the basic qualitative characteristics of accounting information on the quality of banks' financial reports.

1- The benefit characteristic: It relates to the usefulness of accounting information in increasing decisions if the return is greater than the cost.

N	PHRASES	I don't strongly agree	I don't agree	Neutral	Agrees	Agree Strongly
6	The usefulness of accounting information has the importance and influence in taking appropriate decisions.					
7	The utility of an appropriate decision to use the information is the general rule for the importance of accounting information to a bank.					
8	Good accounting information is the most useful information in the area of rationalizing decisions					
9	The cost of obtaining the accounting information is important for making decisions so that the utility of the information must be greater than the cost of obtaining it.					
10	The accounting information prepared according to the usefulness of the accounting information is distinguished by obtaining it for appropriate decision-makers at an appropriate cost.					

2- The property of relevance: the ability of information to make a difference in the decision, whether by helping to form forecasts or confirm previous expectations.

N	PHRASES	I don't strongly	I don't agree	Neutral	Agrees	Agree Strongly
11	Preparing financial statements according to the appropriateness of the information enhances the predictive power of accounting information.					
12	The accounting information relied upon in making decisions is timely.					
13	Using the convenience feature helps decision-makers reduce the degree of uncertainty when they make the right decisions in the bank.					
14	The information obtained from the financial reports is accurate for making decisions.					
15	Preparing financial statements according to the appropriateness of the information increases the ability of the accounting information to influence the decision that is used if this decision is related to future forecasts.					

3- The honest representation feature: is that the information contained in the financial statements is complete to the extent that it allows to ensure that such information is free from errors and bias to a reasonable degree and that it faithfully represents the thing that it expresses.

N	PHRASES	I don't strongly agree	I don't agree	Neutral	Agrees	Agree Strongly
16	The accounting information in financial reports honestly expresses the financial position of the bank in a particular period.					
17	There must be sufficient objectivity in the financial reports.					
18	Financial reports must not contain fake or false information.					
19	Financial reporting must be fair and unbiased.					
20	The preparation of financial statements in accordance with international accounting standards provides reliable information.					

The third axis: the effect of the enhancing properties of accounting information on the quality of banks' financial reports.

1- Comparability feature: Users should be able to compare a bank's financial statements over time in order to assess its financial position and performance as well as changes in financial position.

N	PHRASES	I don't strongly agree	I don't agree	Neutral	Agrees	Agree Strongly
21	Accounting information helps in providing actual data for several periods for the purpose of comparison.					
22	The comparability property of accounting information helps to measure the liabilities and equity of banks.					
23	The bank compares the actual results of the activities and compares them from one period to the next.					
24	The comparative feature of accounting information helps to compare with other banks.					
25	The accounting information must contain the basic and essential elements needed by the decision maker.					

2- Understandable characteristic: in the sense that it is simple, clear and free from complexity, and is understood by the decision-maker.

N	PHRASES	I don't strongly agree	I don't agree	Neutral	Agrees	Agree Strongly
26	The bank has available qualitative information with a high degree of clarity.					
27	The beneficiaries of the financial reports can deal with them even if they are not professional in accounting matters.					
28	Understanding financial reports helps make decision-making easier.					
29	The financial reporting information is easy to deal with by the beneficiaries because it is arranged in a way that is easy to understand.					
30	Financial reports provide information that is user-friendly and easy to understand.					

3- Timeliness: in the sense that in order for accounting information to be appropriate for decision-makers, it must be available to them at the appropriate time before it loses its ability to influence their decisions.

N	PHRASES	I don't strongly agree	I don't agree	Neutral	Agrees	Agree Strongly
31	Often accounting information is made available to users when they are needed and in a timely manner.					
32	Timing is a relative term, as there is no appropriate specific period for the financial statements to be issued before they lose their ability to influence investment decisions.					
33	Management balances between the feasibility of issuing the financial statements in a "convenient" time and between the reliable accounting information that they contain.					
34	The accounting information can correct a previous forecast					
35	The accounting information provides feedback on the past performance of the company.					

4- Verifiable: means the results reached by a specific person using certain methods of measurement and disclosure that another person can reach, independent of the first person, using the same methods.

N	PHRASES	I don't strongly agree	I don't agree	Neutral	Agrees	Agree Strongly
36	When several interested parties measure any paragraph of the financial statements, they reach almost the same results using the same measurement methods.					
37	The figures presented in the financial statements reflect the reality of the events during the financial period and are reliable for decision-making.					
38	The financial figures extracted from the accounting information system are identical in substance and substance with the financial conditions that emerged from them.					
39	The financial statements are prepared in accordance with international accounting standards, and in accordance with the policies set by the management.					
40	The information contained in the financial statements is safe to use because it is free from material and material errors.					

The second section: Please mark whether the following statements are effective on accounting information.

N	PHRASES	Yes	No	Little
1	"Culture" has an effect on accounting information.			
2	The "political system" has an impact on accounting information.			
3	"Level of Development of Financial Markets" has an effect on accounting information.			
4	"Social and Economic Conditions" have an effect on accounting information.			
5	"Accounting Infrastructure and Accounting Professional Organizations" have an effect on accounting information.			
6	"Competitive Environment" has an effect on accounting information.			
7	"Legal System" has an effect on accounting information.			
8	"Tax System" has an effect on accounting information.			
9	"Accounting Standards" have an effect on accounting information.			

The third section: General information related to the respondent on the questionnaire form.

Sex	()Female ()Male
Age	()22-28 ()29-35 ()36-42 ()43-49 ()50-56 ()57-63 ()64 and over
Academic achievement	() High Scholl () Bachelor's () Master () Doctorate () Others
The number of years of experience	() Less than 1 year ()1-5 years () 6-10 years ()11-15 years ()16-20 years () 20 and over
Specialization	()Accounting () Finance & Banking () Business Administration () Economy () Others.....
Job title	()Accountant () Internal Auditor () Financial Manager () Audit Manager () Others.....

Insider and follower of international accounting standards issued by the International Accounting Standards Board.

☐ Ongoing ☐ Mostly ☐ Medium ☐ Little ☐ Non-existent

Notes:

If you want to provide us with some information that was not included in the questionnaire, please write it in the following space:

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