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THE IMPACT OF DIGITAL ACCOUNTING ON THE QUALITY OF ACCOUNTING INFORMATION AND ITS REFLECTION IN THE TRANSPARENCY OF FINANCIAL REPORTS

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Abstract

The purpose of this research is to reveal the impact of digital accounting on the quality of accounting information by "efficiency of accounting information, effectiveness of accounting information, credibility of accounting information" and its reflection on the transparency of financial reports among a sample of commercial banks in Najaf, and in order to reach the best results, the research followed the descriptive analytical approach in measuring its variables based on the research problem tagged in (What is the impact of digital accounting on the quality of accounting information and its reflection in the transparency of financial reports at commercial banks?) Based on the questionnaire tool, the (Hassan,2022) scale was adopted to measure digital accounting, (Karsoo,2023) scale to measure the quality of accounting information, and (Hammana & Amiri,2023) scale to measure the transparency of financial reports, and to show the importance of these variables, two packages were used to reach the most accurate results, represented in (SPSS&AMOS. V.28) to determine the extent of integration of these variables and their reflection on the transparency of financial reports, and the research reached several results, foremost of which was that commercial banks in Najaf province focus on providing transparent and credible information by relying on the quality of their accounting information, and this came as a result of efforts, skills and accurate capabilities in digital accounting systems.

Keywords: digital accounting, quality of accounting information, transparency of financial reports.

Introduction

It has become common in the accounting and financial literature, which is concerned with financial statements in general, that corporate management should follow a policy that allows them to enhance their preferred image about the company. Therefore, management focuses on presenting the company's financial statements in the best possible way, as these statements are very important for users of accounting information, and are considered a basis for judging the success or failure of the company (Karsoo, 2023:81).

Reporting on the performance of information according to the quality of accounting information is also important in the service performance of companies as it shows the transparency of the principles and information followed by these companies and the extent of their commitment to international accounting standards (Abdel-Razzaq et al.,2023:13).

In recent years, digital accounting has become a function of great importance, as it is considered one of the main means and methods used by management to ensure the proper functioning of the organization and the preservation of available resources. Digital accounting contributes to the detection of errors, manipulation and fraud, and therefore requires correcting errors, evaluating and improving the internal control system, and ensuring the quality and correctness of accounting information (Bhimani,2020:10). Achieving credibility and correctness in accounting information requires the use of control tools, and this is achieved through the availability of digital accounting systems and the support of auditors in adhering to international standards, including standards of qualities and performance that contribute to ensuring the reliability and appropriateness of accounting information in institutions (Napitupulu,2023:564).

Digital accounting systems, like any information system, include inputs, processes and outputs represented in the financial statements and reports from which accounting information is extracted, and as financial reports are the results of the digital accounting system, they provide the user with the necessary information to make various decisions related to the tasks and activities practiced (Dhaif,2019:41).

In addition, digital accounting contributes to improving the transparency of financial reports, especially when digital accounting systems are used to track and document financial data and operations accurately and credibly as a source of information (Izzo et al.,2022:1008), as dealers with companies and users can view accounting information with ease, which increases the quality of accounting information, and this improves the transparency of financial reports and enhances confidence in the financial statements that are presented (Borhani et al.,2021:156).

PART ONE: THE METHODOLOGY OF RESEARCH

1. Search problem

The neglect of economic institutions for the importance of transparency of financial reports in light of the variables of the current reality is one of the most important main motives in highlighting the importance of commercial banks' focus on the transparency of their financial information, and finding ways to achieve the quality of accounting information through the application of digital accounting and developing the capabilities of these internal banks, and the need to know the role of digital accounting, especially with regard to the quality of accounting information and its importance in investing time and accuracy in detecting internal deficiencies and working to address them as much as possible in order to improve the transparency of reports. Finance, which in turn contributes to a radical shift in the nature of the practices of digital accounting systems in terms of technological development and the availability of appropriate information to support the mechanisms of banks in establishing financial reports, so the research tries to highlight the contribution to addressing the research problem, which can be formulated in an important question (What is the impact of digital accounting on the quality of accounting information and its reflection in the transparency of financial reports in commercial banks?) Hence, sub-questions can be formulated for the research:

a. What is the level of availability of digital accounting, the quality of accounting information, and the transparency of financial reports in the surveyed commercial banks?

b. In the commercial banks that were assessed, what influence does digital accounting have on the quality of accounting information in terms of efficiency, effectiveness, and credibility?

c. How does the transparency of financial reports in the commercial banks evaluated relate to the quality of accounting information, specifically the efficiency, effectiveness, and trustworthiness of the information?

d. What is the complementary role that digital accounting can achieve in the healing of financial reports through the quality of accounting information in the surveyed commercial banks?

2. The Objectives of Research

The main objective of this research is to identify the impact of digital accounting on the quality of accounting information and its reflection in the transparency of financial reports, and the most important objectives of the research can be summarized in the following points:

a. Evaluate the level of availability of digital accounting, the quality of accounting information, and the transparency of financial reports in the surveyed commercial banks.

b. Determine how digital accounting has affected the quality of accounting information by measuring the following metrics among the commercial banks surveyed: credibility, efficacy, and efficiency of accounting information.

c. Illustrating how the transparency of the financial reports of the tested commercial banks is impacted by the quality of accounting information in terms of (efficiency, effectiveness, and credibility of accounting information).

d. Demonstrate the complementary role that digital accounting can achieve in the healing of financial reports through the quality of accounting information in the surveyed commercial banks.

3. The importance of Research

The importance of this research is highlighted by the role played by digital accounting systems in the process of establishing transparency of financial reports through the quality of accounting information by identifying deficiencies and interventions, improving the accounting system and supporting confidence between investors and the practices carried out by the surveyed commercial banks, as well as keeping pace with technological development in the field of accounting information quality, and the importance of the study can be determined as follows:

a. Encouraging researchers to delve into these variables and determine the level of their importance to institutions due to the lack of delve into them and address the complementary relationship between them.
B. The study topics are related to the importance of employing the advantages of commercial banks in the fields of accounting and in light of radical transformations, especially with regard to digital transformation.
c. Highlighting the importance of transformation in the application of digital accounting systems and their important role in investing time and effort to increase the credibility of dealing with investors, reduce errors and address them in the shortest possible time and increase the degree of efficiency and effectiveness of accounting information.

4. Hypothetical Scheme of research

Determining the level of importance of the problem and objectives of the study requires an important step, through the development of a set of hypotheses to test the levels of importance of research topics among the studied sample. To achieve this, a hypothetical scheme should be developed that studies this relationship. According to a set of variables, they are as follows:

Independent variable: represented in **digital accounting systems**, which is a one-dimensional variable, and the scale was adopted (Hassan,2022).

Dependent variables:

- **Quality of accounting information**: It was measured by three dimensions "efficiency of accounting information, effectiveness of accounting information, and credibility of accounting information" and a scale was adopted (Karsoo, 2023).

- **Transparency of financial reports**: This variable was measured as a one-dimensional variable, and the scale (Hammana & Amiri, 2023) was adopted).

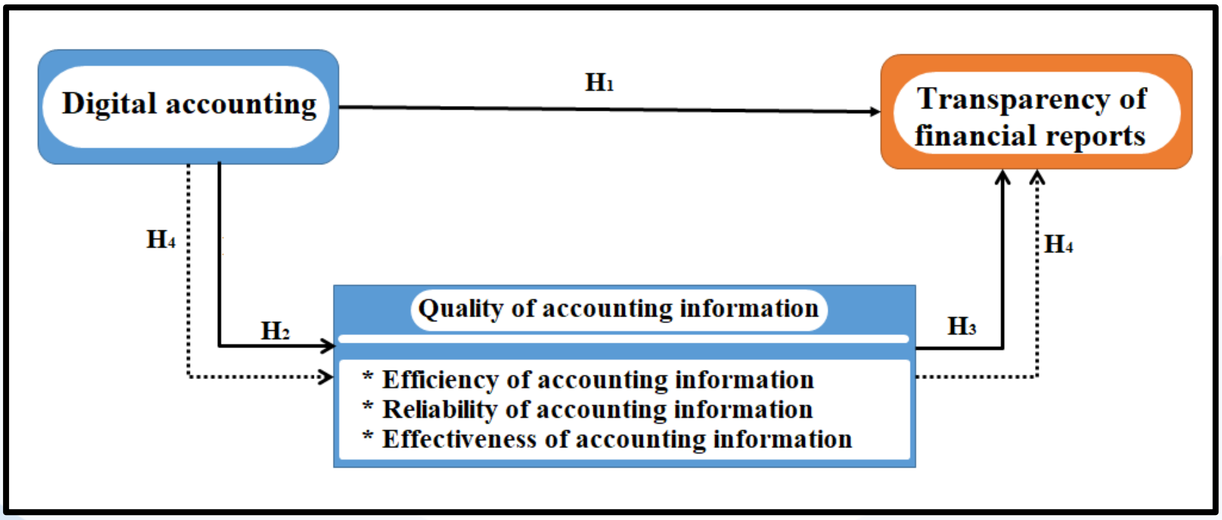

Figure (1) Hypothesis plan of research

Source: Prepared by researchers.

5. Research hypotheses

The research proceeds from two hypotheses:

H_1: "There is a significant impact relationship between" digital accounting and transparency of financial reporting.

H_2: "There is a significant impact relationship between" digital accounting and the quality of accounting information, and several hypotheses branch out of it:

a. "There is a significant impact relationship between" digital accounting and efficiency of accounting information.

b. "There is a significant impact relationship between" digital accounting and effectiveness of accounting information.

c. "There is a significant impact relationship between" digital accounting and credibility of accounting information.

H_3: "There is a significant impact relationship between" the quality of accounting information and the transparency of financial reports, and several hypotheses branch out of it:

a. " There is a significant impact relationship between" efficiency of accounting information and the transparency of financial reports.

B. "There is a significant impact relationship between" effectiveness of accounting information and the transparency of financial reports.

c. "There is a significant impact relationship between" credibility of accounting information and the transparency of financial reports.

H_4: There is a statistically significant impact of digital accounting on the quality of accounting information and its reflection in the transparency of financial reports**,** and several hypotheses branch out of it:

a. There is a statistically significant impact of digital accounting on efficiency of accounting information and its reflection in the transparency of financial reports

B. There is a statistically significant impact of digital accounting on effectiveness of accounting information and its reflection in the transparency of financial reports

c. There is a statistically significant impact of digital accounting on credibility of accounting information and its reflection in the transparency of financial reports

6. sample of Research

The study population was represented in the commercial banks in the province of Najaf and by (Cihan Bank, Baghdad Investment Bank, Iraq Middle East Bank, International Development Bank for Investment, Elaf Islamic Bank, Union Bank of Iraq, Dar es Salaam Bank, Gulf Bank, World Islamic Bank), and the study sample included a group of employees in the bank, as (200) questionnaire form was distributed, and (189) were retrieved by (13) damaged questionnaires, This means that the number of questionnaires valid for analysis reached (176).

7. Previous studies

a. Study (Hassan,2022)

The impact of digital accounting systems on accurate portrayal of accounting data and ethical standards in the accounting industry is investigated in this study. It is applicable to the Cairo

Governorate's Banque Misr branches. Five theories were developed, and the results showed a strong correlation between digital transformation, truthful information representation, and professional abilities with digital accounting systems. According to the report, banks should concentrate on lowering expenses, introducing digital accounting systems, and optimizing the quality of their operating operations. The plan should cover certain tasks, metrics for gauging performance, and follow-ups concerning digital transformation, digital accounting, and professional practices.

b. Study (Hammana & Amiri,2023)

This study aims to research the subject of internal audit and its role in establishing transparency of financial reports by studying the case of Sonelgaz, and to achieve the objective of the research, to select a sample of Sonelgaz employees of 20 employees who have different educational levels and different work positions, taking into account professional experience. The study found that internal auditing contributes to giving quality and objective accounting information when reviewing financial reports, as it increases the accuracy and transparency of the financial reports of the institution, and provides information free of bias and helps in providing a comprehensive description of the financial position of the institution to the users of the reports.

c. Study (Karsoo,2023)

The study looked at how Palestine's Ministry of Communications and Information Technology's internal auditing practices affected risk mitigation, efficacy, credibility, and efficiency of accounting information. 106 accountants participated in the study, which took an analytical tack. The quality of accounting information was directly impacted by the degree of internal audit application, according to the results. The report suggested thorough internal audits that are ongoing for all financial activities.

PART TWO: THEORETICAL FRAMEWORK OF RESEARCH

First: Digital Accounting

1. The Concept of Digital Accounting

The history of the emergence of digital or electronic accounting dates back to the era of the global depression during World War II, where difficulties emerged in organizing and managing taxes, due to the complexities related to the war at the time, represented in many logistical problems associated with data management, and accounting began to enter the era of digitization in 1945 at the beginning of the use of the first commercial computer called ENIAC (Awwad,2023:71). The concept of digital accounting systems expresses the processing and transfer of accounting data and information in an electronic digital form through applications, systems, and software approved and specialized in the fields of accounting, and these systems also express the preparation, processing, and transfer of data, and accounting information about the performance of the institution through systems, software and electronic applications, and via Internet networks that link stakeholders, those interested in operations, and accounting reports (Hassan, 2022:664). Digital accounting aims to improve the efficiency and accuracy of accounting processing and convert financial data into valuable accounting information (Phornlaphatrachakorn & Kalasindhu 2021:410). Technologies used in digital accounting include cloud computing, big data analysis, business intelligence, machine learning, and advanced statistical analysis (Bose et al.,2023:33). Digital accounting also contributes to improving the quality of accounting information and increasing the transparency of financial reporting by providing more accurate, fast and reliable processing of financial statements (ASIKPO,2024:35).

From the above, it can be said that digital accounting refers to the use of modern technology and information systems in accounting processes and management of accounting information.

2. Advantages and Benefits of Digital Accounting Systems

Digital accounting enables companies to achieve many important advantages and benefits, namely:

(Leitner-Hanetseder et al.,2021:540 ; Samardzic et al.,2021:239 ; Thakker&Japee,2023:994 ; Israpilovich& Shavkatjonovich,2023:85 ; Busulwa et al.,2024:122)

- Achieving speed in the flow of the components of the accounting cycle in all its stages, and then providing an appropriate time space to achieve the quality of auditing performance in that cycle.
- Contribute to reducing the percentage of errors that accompany performance in the documentary cycle of various accounting operations, which means an increase in the levels of quality of accounting reports and confidence in their accuracy.
- Achieve significant savings, reduce the costs of performing accounting operations, and financial issuance and reporting.
- Improve audit planning and enable the achievement of security features, confidentiality of accounting information and data.
- Providing professional accountants and auditors with advanced skills and capabilities in the fields of digital accounting technology software, and then contributing to the development of their expertise in this field.
- Increase the satisfaction of beneficiaries of accounting reports, and meet their needs for information and reports in advanced and fast ways.
- Increase and enhance the professional and technical aspects of accountants, and develop their professional performance.

Second: Quality of Accounting Information

1. The Concept of Quality Accounting Information

The accounting information system is the tool for providing information to the business language and this is done by identifying, storing and collecting data, developing the communication process, recording and processing accounting data, to produce information for decision-makers using computer hardware and software (Karsoo,2023:85). The quality of accounting information is defined as that information that is very useful in guiding various decisions, as users of accounting information can be able to analyze this information through the characteristics it has (Mahmoud& Dabash, 2016: 87). (Beest & Associates, 2009:6)

When it comes to the reporting unit, the quality of accounting information is defined as data that lenders, equity investors, and other capital financiers can use to inform their judgments.. The utility of the profits recorded in the financial statements is a measure of the quality of accounting information (de Souza & Morais, 2024:2). According to Winoto et al., 2023:11, the features of the accounting information found in the financial statements indicate the quality of the accounting information. Another way to define the quality of accounting information is as a collection of qualitative traits that the information must have in order for the beneficiary parties to benefit from it (Hashim& Shihab,2022:144).

From the above, it can be said that the quality of accounting information indicates the accuracy, reliability and usefulness of the information that is documented and provided through accounting processes.

2. The Importance of Quality Accounting Information

Accounting information is characterized by a set of important characteristics, and perhaps these characteristics can be limited to the following points:

a. Comprehensiveness: Information must be characterized by perfection that benefits the decision maker
b. Accuracy in providing information
c. Timing: i.e. providing timely information to its users
d. Clarity: i.e. the information must be clear, free of ambiguity, blurry and understandable
e. Flexibility: The extent to which information is so capable that it can be used more than once.
f. Objectivity: i.e. must be free from the intention of misrepresentation, fraud or alteration for the purpose of influencing information users or decision makers (Al-Attar et al., 2018:145).
g. Comparability: Enabling users to recognize the true similarities and differences between the performance of the company and the performance of other companies during a certain period of time
h. Stability: recording and reporting economic events in a uniform manner from period to period (Hasaballah, 2015:247).

3. Factors Affecting the Quality of Accounting Information

The degree of quality of accounting information is influenced by several factors that can be illustrated below (Moumni,2019:134):

a. **Economic factors**: Financial reports' quality of accounting information varies depending on the economic system. In a socialist economy, the emphasis is on accounting information for state planning and control provisions, whereas in a capitalist economy, it is crucial because the emphasis is on meeting user needs appropriately.

b. **Social factors**: Since some social values, such as society's propensity to value confidentiality in financial statements and time, have an impact on the qualitative qualities of accounting information, the trend towards confidentiality has an impact on the process of gathering and disseminating accounting information.

c. **Legal factors**: The accounting, control and supervision profession, especially with the emergence of institutions characterized by the separation of ownership from the administration, is affected by legal factors, the most important of which is a set of legal rules and regulations, which resulted in their compliance with legal and tax laws from the time of its establishment until their liquidation; this is therefore shown in the manner in which the data is generated and how.

d. **Cultural factors**: The degree of education, the standing of professional associations, the practice of accounting and auditing in general, and the qualitative aspects of accounting information in particular are these variables.

e. **Factors related to information**: In addition to the ability to approach and verify, the availability of various characteristics and qualities to assess the information's usefulness in decision-making also affects the quality of accounting information in financial reports. The current use of computers also has an impact on the quality of accounting information, as it has increased the number of users globally and appropriately, reduced production costs, and improved access to information.

4. Dimensions of The Quality of Accounting Information

The quality of accounting information can be measured through three important dimensions:

a. **Efficiency of accounting information**: It represents the extent to which human resources are provided when carrying out the necessary operations to achieve the goals compared to the results that are achieved, efficiency represents the achievement of the objectives of the company with the least possible use of resources (Masouda,2022:34), which means that efficiency of accounting information represents the company's ability to provide accurate and clear information in the right place and time for investors.

b. **Credibility of accounting information**: It represents that accounting information must be prepared honestly and truthfully in accordance with the principles and rules used and in force in the company (Mohamed&Mohamed,2022:16). This means that credibility of accounting information indicates the correctness and reliability of the accounting information provided.

c. **Effectiveness of accounting information**: refers to the extent to which information achieves the objectives set, compared to the results used (Abdel-Hakim, 2020:145). This means that effectiveness of accounting information indicates the company's ability to achieve the desired goals and meet the requirements, needs and desires of customers as much as possible in a timely manner and with the required specifications.

Third: Transparency of Financial Reporting

1. The Concept of Transparency of Financial Reports

Financial reports are the main source of information for multiple parties such as current and potential investors, lending institutions, government and tax bodies and stakeholders, and it is also an important axis of activating and effective stock markets, through which communication can be made between management and all other parties interested in the company through the information it provides to identify the financial position and the results achieved by the company, so we find that financial reports represent the final approach to the accounting system (Hammana & Amiri,2023:11).

Transparency is essential to reduce misinformation and ensure management accountability. The Cadbury report (1992) shows that the basis of the governance structure is transparency in disclosure. This dimension emphasizes how a company can communicate information to stakeholders effectively (Fernando et al., 2019:5), and Fung, 2014:74 that the term transparency is a literal translation that has been transferred from the English language (Transparency). Transparency in its sense borrowed from physics means transparent matter clear glass so that the other party can be seen through it and represents the term transparency in human culture in the sense of openness, communication and accountability. Hollanders (2013:10) has argued that transparency has been one of the most valuable topics in the past two decades, as it must be understandable and inclusive to users of information and must give a true and fair view.

From the foregoing, it can be said that the transparency of financial reports refers to the clarity, truthfulness and reliability of the financial and accounting information presented by the institution or company to the public.

1. Importance Transparency of Financial Reports

The importance of financial reporting transparency is crystallized in the quantity and quality of information provided to stakeholders, which is supported by clarifications and explanations that increase users' understanding of it, and facilitates the process of making comparisons and analyzes to reach an accurate conclusion about the status of the economic unit, which helps in making decisions taken by stakeholders (Abdel-Razzaq et al.,2023:18).

Ensuring the transparency of financial statements despite full disclosure is by providing an honest representation of information that is useful and necessary for economic decision-making to a wide range of beneficiaries, in the context of public disclosure. Financial statements should be easy to interpret, while providing more information about the economic unit. It is better than having limited information, so the cost of providing this information and the expected benefits of providing more transparency should be known, as adopting internationally accepted accounting standards is necessary to facilitate access to transparency and correct interpretation of financial statements (Al-Karawi, 2019: 91). (Caputo et al., 2021:3471) believes that the importance of financial reporting transparency lies in:

1. Reducing the negative effects resulting from the problem of information asymmetry between management and investors.
2. Contributing to restoring lost confidence in financial markets.
3. The transparency of financial reports plays a vital role in terms of the ability to attract money by comparing the level of transparency of the company's financial reports with the reports of other companies.

PART THREE: THE FIELD ASPECT of THE RESEARCH

First: Coding The Research Variables

The goal of this paragraph is to explain the concept of research variables and make them easier for the reader to understand through the use of specific symbols. These symbols are used to simplify the analysis and interpretation process for the researcher, and help develop a clear understanding for the reader regarding these symbols in the first place. Table (1) shows the description and coding of the variables.

Table (1) Description and coding of variables

	Dimensions	Paragraphs	code	
Digital accounting	One-dimensional	18	**DAC**	
Quality of accounting information	Efficiency of accounting information	5	SOME	**QAI**
	Reliability of accounting information	5	QRE	
	Effectiveness of accounting information	5	WHO	
Transparency of financial reports	One-dimensional	16	**TFR**	

Second: Testing the moderation of the research

The results shown in Table (2) show that the responses of employees in the commercial banks studied are distributed in a manner similar to a normal distribution with regard to the variables and dimensions of the study. It is likely that bank employees have quality accounting capabilities that contribute to improving accounting information and, thus, enhance their ability to support the transparency of financial reporting. Accordingly, it is possible to think about generalizing the results of this study to the studied community in general.

Table (2) Results of the research moderation test

Variables	Kol-Smi Test		Say.	
DAC	0.119		0.200 [c,d]	
SOME	0.171	0.121	0.094	0.064
QRE	0.200		0.090	
WHO	0.172		0.126	
TFR	0.110		0.066	

Third: Description of the research variables

Table (3) shows that the overall average for digital accounting was (4.28), and this was the result of a standard deviation of (0.43) and a coefficient of variation equal to (10%). Perhaps the paragraph that contributed to enriching digital accounting systems is the first paragraph (DAC1) because it obtained the lowest coefficient of variation of (12%), with an arithmetic mean of (4.64) and a standard deviation of (0.56), while the third paragraph came (DAC3) is ranked last with a fairly high coefficient of variation of (29%) and an arithmetic mean of (4.06), with a standard deviation equal to (1.16). As a result of these results, the interest of workers in the banks studied is clear in the importance of focusing on digital accounting systems because of their role in Implementing accounting processes with high efficiency and more organization, which facilitates the process of financial analysis and preparation of reports and saves the time and effort necessary for the bank to achieve its goals and accomplish its tasks.

Table (3) indicates that the overall average for the quality of accounting information was (4.14), and this came as a result of a standard deviation of (0.52) and a coefficient of variation equal to (13%). Perhaps the dimension that contributed to enriching the quality of accounting information is the dimension of credibility of accounting information (QRE) because it obtained the lowest coefficient of variation of (14%), with an arithmetic mean of (4.15) and a standard deviation of (0.57), while the dimension of efficiency of accounting information was ranked (SOMEI) ranked last with a fairly high coefficient of variation of (16%), an arithmetic mean equal to (4.13), and a standard deviation of (0.65). As a result of this, the interest of workers in the banks studied is clear in the importance of focusing on the quality of accounting information because of its role in providing The bank's requirements for accurate and reliable accounting information to make appropriate strategic decisions, invest in opportunities, and confront the challenges facing the bank.

Table (3) shows that the overall rate of transparency of financial reports is equal to (4.22), with a standard deviation of (0.52) and a coefficient of variation of (12%). Perhaps the paragraph that contributed to enriching the transparency of financial reports is the third paragraph (TFR3) because it obtained the lowest coefficient of variation of (14%), with an arithmetic mean of (4.48) and a standard deviation of (0.62), while the thirteenth paragraph came (TFR13) is ranked last with a fairly high coefficient of variation of (23%), with a standard deviation equal to (4.29) and an arithmetic mean of (0.99). As a result of these results, the interest of workers in the banks studied is clear in the importance of focusing on the transparency of financial reports because of its role in building... Trust and credibility among investors, customers and stakeholders to achieve financial goals on an ongoing basis.

Table (3): Statistical description of the study variables

No.	Mean	S.D	C.V
DAC1	4.64	0.56	12%
DAC2	4.29	0.74	17%
DAC3	4.06	1.16	29%
DAC4	4.18	0.86	21%
DAC5	4.13	0.80	19%
DAC6	4.34	0.71	16%
DAC7	4.26	0.75	18%
DAC8	4.46	0.63	14%
DAC9	4.35	0.83	19%
DAC10	4.57	0.61	13%
DAC11	4.15	0.95	23%
DAC12	4.41	0.84	19%
DAC13	4.18	0.77	18%

DAC14	4.27	0.74	17%
DAC15	4.20	0.76	18%
DAC16	4.36	0.73	17%
DAC17	4.30	0.65	15%
DAC18	3.98	0.85	21%
DAC	**4.28**	**0.43**	**10%**
QEE1	4.22	0.72	17%
QEE2	3.99	0.99	25%
QEE3	4.49	0.83	19%
QEE4	3.89	0.94	24%
QEE5	4.08	1.17	29%
SOME	**4.13**	**0.65**	**16%**
QRE1	3.98	0.82	21%
QRE2	4.13	0.87	21%
QRE3	4.32	0.86	20%
QRE4	4.24	0.65	15%
QRE5	4.10	0.71	17%
QRE	**4.15**	**0.57**	**14%**
QEI1	3.97	0.91	23%
QEI2	3.85	0.93	24%
QEI3	4.36	0.82	19%
QEI4	4.18	0.72	17%
QEI5	4.29	0.73	17%
WHO	**4.13**	**0.63**	**15%**
Q.A.I	**4.14**	**0.52**	**13%**
TFR1	4.13	0.93	23%
TFR2	4.12	0.84	20%
TFR3	4.48	0.62	14%
TFR4	4.13	0.75	18%
TFR5	4.13	0.73	18%
TFR6	4.24	0.73	17%
TFR7	4.11	0.76	18%
TFR8	4.48	0.71	16%
TFR9	4.45	0.72	16%
TFR10	4.23	0.89	21%
TFR11	4.11	0.70	17%
TFR12	4.20	0.84	20%
TFR13	4.29	0.99	23%
TFR14	4.14	0.92	22%
TFR15	4.11	0.81	20%
TFR16	4.20	0.93	22%
TFR	**4.22**	**0.52**	**12%**

Fourth: Testing research hypotheses

It is clear from the results of Table (4) that there is a correlation between (digital accounting, the quality of accounting information in its dimensions, and the transparency of financial reports), and this relationship can be stated as follows:

- There is a correlation between digital accounting and the quality of accounting information, amounting to (0.650).
- There is a correlation between digital accounting and the efficiency of accounting information, with a value of (0.582)
- There is a correlation between digital accounting and the credibility of accounting information, amounting to (0.628)
- There is a correlation between digital accounting and the effectiveness of accounting information, amounting to (0.445)
- There is a correlation between digital accounting and the transparency of financial reports, at (0.573)
- There is a correlation between the quality of accounting information and the transparency of financial reports, with an amount of (0.797)
- There is a correlation between the efficiency of accounting information and the transparency of financial reports, with a value of (0.682)
- There is a correlation between the credibility of accounting information and the transparency of financial reports, amounting to (0.591)
- There is a correlation between the effectiveness of accounting information and the transparency of financial reports, amounting to (0.737)

From the above it can be said The application of digital accounting can contribute to improving the quality of accounting information available in banks, and to enhancing the transparency of financial reports provided by banks. This relationship enhances our understanding of the positive impact of digital technology in the field of accounting and how to improve the quality of information and transparency in the financial and banking environment.

Table 4: Correlation matrix

	1	2	3	4	5	6
DAC (1)	1					
QEE (2)	.582**	1				
QRE (3)	.628**	.624**	1			
QEI (4)	.445**	.577**	.507**	1		
QAI (5)	.650**	.875**	.828**	.829**	1	
TFR (6)	.573**	.682**	.591**	.737**	.797**	1
**. Correlation is significant at the 0.01 level (2-tailed).						
Say.=0.000					**n=176**	

It is noted from the results of Table (5) that the use of digital accounting systems in the commercial banks studied does not affect the transparency of financial reports, which results in these banks enhancing trust and credibility in providing appropriate information that enhances the mechanisms for compliance with the laws and regulations that govern the banking sector in satisfying needs and desires. Customers. As the results show, the first hypothesis was rejected because there is no significant effect of digital accounting on the transparency of financial reports.

The results also show that there is a noticeable effect between digital accounting and the quality of accounting information, which means that an improvement of one unit in digital accounting systems contributes to achieving (0.781) in the quality of accounting information, with a standard error of (0.069), and this shows that the quality of accounting information has Commercial banks are important for making strategic decisions. The results also show acceptance of the second hypothesis of the presence of a significant effect between digital accounting and the quality of accounting information.

The results indicate that there is a significant effect between the quality of accounting information and the transparency of financial reports. This shows that the interest of commercial banks in the quality of accounting information contributes to achieving an amount of (0.790) in the transparency of financial reports, with a standard error of (0.045). This means that the quality of accounting information contributes to achieving Building confidence and credibility among investors, especially when transparent financial information is provided. This result fulfills the third main hypothesis of the existence of a significant effect between the quality of accounting information and the transparency of financial reports.

Based on the above and in view There is no significant effect of digital accounting on the transparency of financial reports, and this is what the first hypothesis achieved (**H_1**), and the existence of a significant relationship between digital accounting and the quality of accounting information, and this is what the second hypothesis achieved (**H_2**), and the existence of a significant relationship between the quality of accounting information and the transparency of financial reports, and this is what was achieved by the third hypothesis (**H_3**), this shows the extent of the need to develop the relationship between these variables to include measuring the impact of digital accounting on the quality of accounting information and its reflection in the transparency of financial reports, and this is what the fourth main hypothesis aspires to, through which it is clear that achieving an improvement in the ability of a single unit in digital accounting on the quality Accounting information contributes to an improvement of (0.730) in the transparency of financial reports, with a standard error of (0.072), and this fulfills the fourth main hypothesis (**H_4**).

From the above, it can be said that the impact of digital accounting on the quality of accounting information and its impact on the transparency of financial reports It works to conduct a fair assessment of the bank's performance and value by contributing to providing appropriate information about assets, liabilities, revenues, expenses, profits and losses, and presenting it clearly to investors and customers to make appropriate decisions to deal with these commercial banks or refrain from dealing with them, as well as measuring the extent of these banks' compliance with the laws. And the financial regulations required according to the local, regional and international banking system.

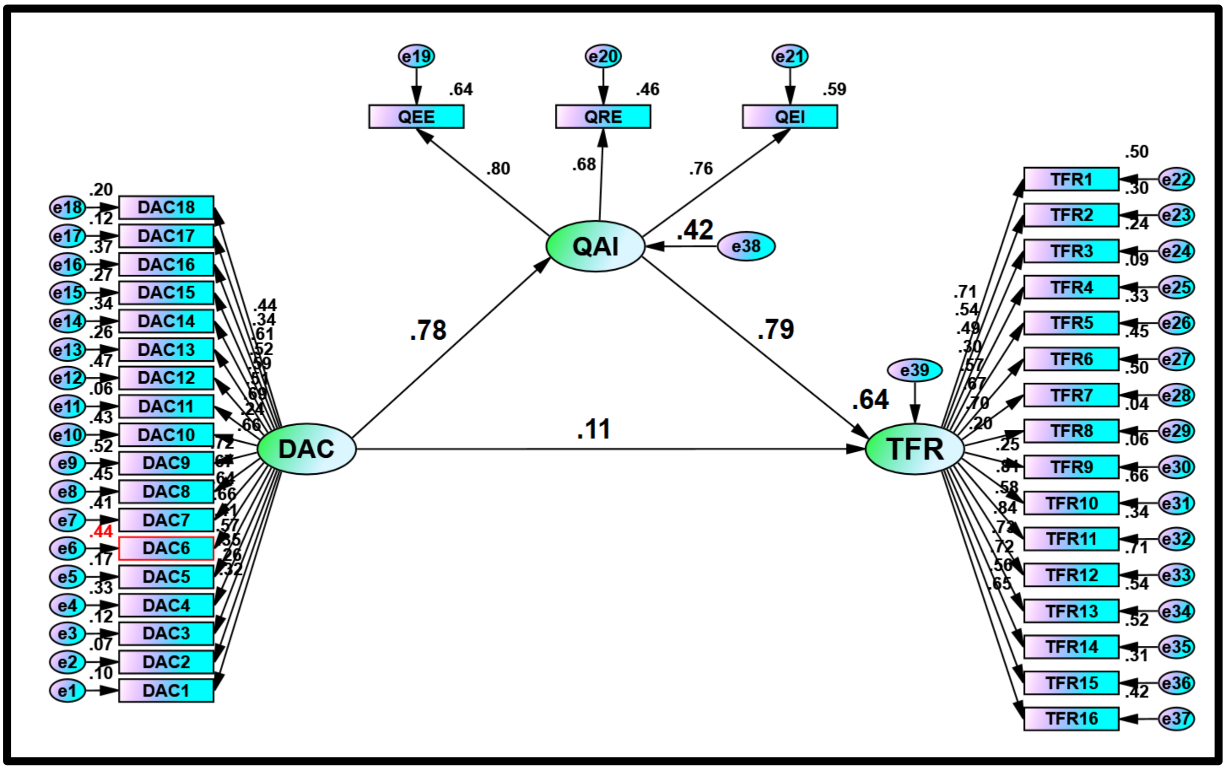

Figure (2) The standard model for research variables

Table (5) Standard results of the impact of digital accounting on the quality of accounting information and its reflection on the transparency of financial reports

path			Estimate	S.E	C.R	R^2	P
DAC	--->	TFR	0.113	0.072	1.569	0.013	0.116
DAC	--->	QAI	0.781	0.069	11.319	0.422	0.001
Q.A.I	--->	TFR	0.790	0.045	17.556	0.635	0.001
QAI ---> Q.A.I	**--->**	**TFR**	**0.730**	**0.072**	**10.139**	**0.640**	**0.001**

The results also show that the impact of digital accounting on the quality of accounting information contributed to explaining (0.640) of the amount of variation occurring in the transparency of financial reports, while the remaining value falls outside the limits of the study.

PART FOUR: CONCLUSIONS and RECOMMENDATIONS

First: conclusions

1. Commercial banks in Najaf Governorate focus on providing information with high transparency and credibility by relying on the quality of their accounting information, and this came as a result of the efforts, skills, and precise capabilities in digital accounting systems.
2. Commercial banks are keen to improve the ability to predict future events in their operating environment through the use of digital accounting and provide accurate forecasts based on the financial analyzes they possess.

3. Commercial banks are interested in providing appropriate digital accounting systems for control and monitoring with the aim of reducing the error rate and supporting their transparency and accountability, which enhances their ability to improve the transparency of financial reports and make them more understandable to investors and stakeholders.
4. Commercial banks focus on saving time and effort by facilitating and fulfilling the requirements of their customers by improving the accuracy and quality of accounting information and increasing its reliability by reducing errors and unintended manipulation of data.
5. Commercial banks are keen to comply with the legislation and laws that govern the work environment, which improves the process of documenting and tracking data better, and this in turn works to speed up the collection and analysis of these banks, allowing them to make informed decisions faster, efficiently and effectively.

Second: Recommendations

1. Commercial banks should emphasize implementing a cultural and organizational transformation to support and implement digital accounting systems in a way that includes changing internal policies and cultures, which contributes to supporting the quality of accounting information and its initial reflection on the integrity and transparency of financial reports.
2. It is necessary for the researched commercial banks to focus on evaluating the digital infrastructure to ensure the adequacy of their ability to implement accounting systems to support the quality of accounting information, with the aim of improving existing systems and investing in new technologies and solutions for the transparency of financial reports.
3. It is necessary for the commercial banks studied to be keen to implement a periodic system for continuous improvement through the use of data and its analysis to identify areas that suffer from weakness and work to improve and develop them periodically.
4. Commercial banks should train and educate those responsible for digital accounting by working to improve the quality and accuracy of accounting information by using control and internal audit mechanisms and ensuring that the chain of operations and information is documented in a reliable and more effective manner.
5. The need to focus on enhancing transparency and disclosure of financial and accounting reports by ensuring the use of digital accounting systems that contribute to providing detailed and transparent financial information about entities that invest in banks.

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