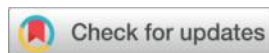




The Impact of Changes in Accounting Policies on the Quality of Accounting Information – A Field

Study



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Summary: This study aims to measure the impact of accounting flexibility on improving the quality of accounting information through a field study in the Algerian environment on a group of active companies in the state of Ouargla. The descriptive approach was used through surveying, with 152 questionnaires adopted in the field study and 12 institutions in the interview. The data were processed using the SPSS v32 program. The study found several results, including The accounting policies stipulated in the financial accounting system are characterized by flexibility in application and the possibility of choosing among many available alternatives. There is a significant impact of available accounting flexibility in accounting policies on qualitative characteristics. The study recommends the necessity of professional care in choosing between alternatives and accounting policies stipulated in the financial accounting system, similar to the need to pay attention to the verified procedures for each specific qualitative characteristic of accounting information quality. Additionally, the study emphasizes the importance of utilizing available accounting options to improve the type and quality of accounting information.

Keywords: accounting policy, changing accounting policies, accounting flexibility, positive theory, standard theory

المخلص:

تهدف هذه الدراسة إلى قياس تأثير المرونة المحاسبية في تحسين جودة المعلومات المحاسبية وهذا من خلال دراسة ميدانية في البيئة الجزائرية على مجموعة من الشركات الناشطة في ولاية ورقلة، وتم استخدام المنهج الوصفي من خلال الاستقراء، حيث تم اعتماد 152 استمارة استبيان في الدراسة الميدانية، و 12 مؤسسة في المقابلة وتم معالجة البيانات وفق برنامج (SPSSv32)، توصلت الدراسة إلى مجموعة من النتائج أهمها: تميزت السياسات المحاسبية المنصوص عليها في النظام المحاسبي المالي بالمرونة في التطبيق وإمكانية الاختيار بين العديد من البدائل المتاحة، ويوجد تأثير هام للمرونة المحاسبية المتاحة في السياسات المحاسبية على الخصائص النوعية، وأوصت الدراسة بضرورة بذل العناية المهنية في الاختيار بين البدائل والسياسات المحاسبية المنصوص عليها في النظام المحاسبي المالي على غرار ضرورة الاهتمام بالإجراءات المحققة لكل خاصية من الخصائص النوعية المحددة لجودة المعلومات المحاسبية؛ ضرورة استغلال الخيارات المحاسبية المتاحة في تحسين نوعية وجودة المعلومات المحاسبية.

Introduction:

Algeria has adopted the Financial Accounting System inspired by International Accounting Standards, which provides greater accounting flexibility in terms of the selection of accounting policies by practitioners. Accounting policies are considered a fundamental element in the preparation of financial statements, as the items within these statements represent key components of financial reporting.

The selection of one alternative from the available accounting options within an entity may expose it to criticism. Thus, the existence of flexible accounting choices is not an obstacle in itself; rather, the challenge lies in selecting the most appropriate alternative from among those available—an alternative that prevents the entity from producing unsatisfactory results or, conversely, overly favorable ones depending on management objectives. Therefore, the responsibility for selecting these alternatives rests with management.

Entity management seeks to choose the most suitable option that fairly represents its resources, performance, and utilization. However, it is unreasonable to allow complete freedom in this choice, as it could lead to a misrepresentation of managerial efficiency. This necessitates the establishment of controls and limits on accounting flexibility.

The Financial Accounting System places significant emphasis on requiring all entities within its scope of application to prepare annual financial statements and accompanying notes that disclose the accounting rules and methods used.

Intellectual efforts, research, and ongoing theoretical studies in accounting have helped identify a set of characteristics that define the quality of accounting information. Among these, relevance and reliability are considered the most essential qualities. However, achieving both can sometimes be in conflict depending on the chosen measurement alternatives. Additionally, understandability and comparability are also key qualitative characteristics.

Given this context, the present study addresses the following central research question:

"To what extent does accounting flexibility contribute to improving the quality of accounting information in Algerian economic institutions?"

Literature overview:

Study by Toufik Saada (1995:

This study sought to test the relevance of Positive Accounting Theory (PAT) within the French context and to compare the determinants of accounting policy choices between France and the United States. The accounting policies examined concerned depreciation methods, inventory valuation techniques, goodwill amortization periods, and the treatment of pension obligations. Multivariate statistical analyses were conducted, first by examining each accounting choice individually and then by considering firms' overall accounting strategies. A comparison with findings from the U.S. context revealed that the primary difference between the two countries lies in the impact of firm size on accounting policy choices.

Study by Ann Tarca (2002:

This study analyzed the influence of international harmonization pressures on accounting policy choices by examining the extent to which firms adopted accounting policies consistent with U.S. Generally Accepted Accounting Principles (U.S. GAAP) or exercised options permitted under International Accounting Standards (IAS) but not accepted under U.S. GAAP. The analysis focused on five major policy areas: tangible assets, marketable securities available for sale, identifiable intangible assets, research and development expenditures, and goodwill amortization periods.

The study covered firms from the United Kingdom, France, Germany, Japan, and Australia. The results showed widespread adoption of accounting policies consistent with U.S. GAAP and limited use of IAS options. Alignment with U.S. GAAP was strongest among firms in Germany, France, and Japan, while some use of IAS options was observed in the U.K. and Australia. Key determinants of accounting policy choices included foreign stock exchange listings and leverage. Firms listed in the United States were more likely to align their accounting policies with U.S. GAAP, indicating voluntary harmonization. The findings also demonstrated that U.S. regulatory requirements influence not only the adoption of non-national standards and disclosure practices but also firms' accounting policy choices.

Study by Ananga Onana Anaclet and Makani Samuel Roland (2017:(

“What Are the Determinants of Accounting Policies in Cameroonian SMEs”?

This study aimed to identify the factors influencing the choice of accounting methods in small and medium-sized enterprises (SMEs) in Cameroon. These choices are sometimes made by managers to facilitate earnings management, improve information processing, or adjust reported results. The study also sought to analyze and highlight the determinants that lead Cameroonian SMEs to adopt specific accounting policies.

Using a deductive approach, data were collected through a questionnaire administered to 44 SMEs operating in Cameroon. The data were analyzed using classificatory and explanatory methods. The findings indicated that executive compensation had no significant effect on accounting policy choices in SMEs. However, structural and contingency factors were found to have both positive and negative influences on the selection of accounting policies in Cameroonian SMEs.

Theoretical Framework:

According to Al-Shirazi, a change in accounting policies is defined as: *“a modification in the rules, foundations, methods, and procedures, where the accountant must ensure that any such change will provide accurate and useful information for forecasting and decision-making. It is also essential to disclose any changes made to these policies and their impact on the reported accounting figures.”*¹.

It is said that a change in accounting policies involves shifting from one set of accepted principles, foundations, and methods to another set that is also generally accepted.² Consistency in accounting policies is considered one of the fundamental accounting principles. Therefore, changes in accounting policies are not permitted

unless they are necessary due to a legal requirement, a directive from a regulatory body responsible for setting accounting standards, or if the change results in a better presentation of the financial statements.³

According to *Hendrik en*, a change in accounting policies refers to a modification in the principles, policies, foundations, and accounting rules. This change must be clearly communicated to the users of financial statements, along with an explanation of its effects.⁴

According to Radwan Halwa Hanan, a change in accounting policies refers to the shift from one generally accepted accounting principle to another alternative principle that is also generally accepted. For example, this could involve changing from the straight-line depreciation method to the declining balance method. In such cases, it is essential to disclose the impact of this change on the figures of the current accounting period, as well as its retrospective effect on previous periods.⁵

A change in accounting policies refers to the transition from one generally accepted accounting principle to another equally accepted principle. For example, this may involve switching from a specific depreciation method, such as the straight-line method, to another method like the declining balance or the increasing balance method. ⁶.

According to Article 39 of Law 07-11, "The change in accounting methods pertains to modifications in the principles, bases, agreements, rules, and specific practices applied by the entity for the purpose of preparing and presenting financial statements."⁷

Based on the previous definitions, a change in accounting policies can be defined as any modification in the principles, rules, methods, and accounting policies upon which an entity prepares its financial statements. Such changes must be clearly disclosed to the users of the financial statements through the accompanying notes.

Accounting Policies and Estimates Available within the Financial Accounting System (SCF):

Accounting policies are the principles, bases, rules, customs, and procedures upon which financial statements are prepared. Economic events are translated into reports and financial statements through the application of specific accounting policies. Within this section, we will discuss accounting policies and the alternatives available within the Financial Accounting System (SCF).

Table (1-2): Policies and Estimates Available within the Financial Accounting System (SCF)

Category	Policies / Methods
Measurement Alternatives	Present Value Method, Net Realizable Value, Current Cost, Fair Value, Historical Cost
Asset Depreciation Methods	Units of Production Depreciation, Increasing Balance Depreciation, Declining Balance Depreciation, Straight-Line Depreciation

Category	Policies / Methods
Inventory Valuation Methods	Weighted Average Cost Method (CUMP), First-In, First-Out Method (FIFO)
Customer-Related Policies	Granting Cash Discounts, Longer Collection Periods
Liability-Related Policies	Cash Settlement, Settling by Transferring Assets, Settling by Services, Replacing One Liability with Another, Converting Liability to Equity (e.g., bonds to shares)
Expense Recognition Bases	Based on Causal Relationship, Based on Accounting Periods
Revenue Recognition Bases	Revenue Recognition Before Delivery, Revenue Recognition Over Time
Foreign Currency Translation	Assets & Liabilities at Transaction Rate, Revenues & Expenses at Average Rates, Equity Accounts at Actual Rates
Long-Term Contract Policies	Percentage of Completion Method, Completed Contract Method
Income Statement Presentation	By Nature, By Function
Cash Flow Statement Presentation	Direct Method, Indirect Method
Investment Property Valuation	Cost Method, Fair Value Method

Source: Prepared by the researcher

Concept of Accounting Information Quality:

The concept of accounting information quality is one of those concepts on which researchers have not reached a unified definition. It can be defined as the extent to which this information possesses credibility and provides benefits to users, being free from distortion and misrepresentation. Moreover, it should be prepared in accordance with a set of legal, regulatory, professional, and technical standards to help achieve its intended purpose.⁸

It has also been defined as the presence of a set of different characteristics within the information. Notably, the relevance characteristic has been emphasized as one of the key attributes for achieving quality accounting information, especially since it reflects the perspective of the users of this information, highlighting the importance of this feature.⁹

The qualitative characteristics of financial information refer to the features and attributes that enhance the informational value of this data from the perspective of its users.¹⁰

They also refer to the characteristics that accounting information must possess, reflecting the intended usefulness of preparing financial reports in assessing the quality of information produced through the application of alternative accounting methods and techniques.¹¹

Based on the definitions, the researcher defines it as the provision of a set of characteristics in accounting information, the most important of which are relevance, comparability, understandability, and reliability.

Qualitative Characteristics of Accounting Information

The qualitative characteristics of accounting information are as follows:

Relevance: This characteristic has been defined in several important ways, including:

First definition: defined as the ability of information to make a difference in a decision, whether by helping to predict or confirm previous expectations¹².

Second definition: defined as the existence of a logical link between the information and the decision under study, in other words the ability of information to bring about a change in the direction of the decision¹³.

Third definition: Appropriateness is defined as information that is related to the subject of the decision and affects the behavior of the decision maker and lets him give a decision different from that decision that can be taken in the absence of this information¹⁴.

The trapping property is divided into the following sub-characteristics:

- ✓ The ability to predict the future: What is meant by predictive value is that accounting information enables its users to be able to make future predictions, and this is by making decisions related to future forecasts, and in order for accounting information to have an impact on the decision-making process, this information must be characterized by the ability to improve the ability of its users to predict future results¹⁵.
- ✓ Feedback ability: This feature is no less important than the property of predictability, and it is intended that financial information enables its users to assess the validity of their previous expectations, i.e. the results of decisions taken are evaluated based on the information, and for the information to be feedback, it must have the possibility of using it in control and evaluation of forecasting¹⁶.
- ✓ Appropriate timing: What is meant by the right timing is the arrival of the completed information to its users at the right time for decision-making, that is, the faster the information reaches its users, the more the rate of influence on their decisions is multiple, and the lower the speed, the lower the rate of impact and thus the information loses confidence, i.e. inappropriate and incorrect, and it can be said that the appropriate information is the information that is

available at the right time, even if this is at the expense of confidence in the measurement process or The extent to which the resulting metrics are correct is certain¹⁷.

Comprehensiveness: Researchers and those interested in it presented a set of definitions, the most important of which are:

First definition: A property that allows data users to rely on it confidently and on the basis that it represents what it claims to represent¹⁸.

Second definition: According to the statement of the second (02) issued by the International Accounting Standards Board (IASB) is a property in information that allows to ensure that such information is free from errors and bias to a reasonable degree and that it truthfully represents what it expresses¹⁹.

Third definition: Information can be considered reliable if it is characterized by neutrality and therefore not partially representative of an economic event, as well as honesty in expressing the economic events that it seeks to express with the possibility of reviewing and measuring them, as the expression issued is related to the degree of freedom from errors²⁰.

- ✓ The property of reliability is divided into the following sub-characteristics: Honesty in expression: Honesty in expression means any expression of reality honestly, i.e. the presentation of economic events to be expressed, displayed and portrayed accurately and honestly simulates reality, where there must be a link between the information displayed and reality, and to achieve this property it must express the information displayed and match reality honestly 21.
- ✓ Ability of information to review and verify: It means that the information is reviewable and verifiable, meaning that the results and information provided by a dependent person if recalculated by another person in the same ways and policies followed up to the same results reached by the first person, including financial information must be characterized by the ability to verify and prove its correctness 22.
- ✓ Information neutrality: What is meant by impartiality is that accounting information must be prepared for a general purpose, that is, serve all its users and is not biased to a specific category, as this feature is closely related to the truthfulness of information Now biased information cannot be trusted or relied upon in making decisions²³.

Understandability: A set of definitions have been developed, the most important of which are; First definition: According to the statement issued by the International Accounting Standards Board (IASB), the accounting information contained in financial reports should be understandable to those who have a reasonable understanding about business and economic activities²⁴.

Comparability: among the concepts identified are the following;

The first definition: Comparability means providing accounting information that allows comparisons between similar institutions in the same sector, and this raises the value of the information and thus allows the evaluation of the value of the entity concerned between similar institutions in the same sector and activity, as it allows studying the reasons for superiority and decline and helps users in forecasting, evaluating and managing the performance of institutions²⁵.

The comparability characteristic is achieved by following the following: Consolidation element: What is meant by the consolidation element is to circulate the same methods and methods used in the preparation of

financial information in the entity to all economic events, and this is not limited to accounting measurement only, but includes all magazines such as disclosure and others. Consistency element: What is meant by consistency is the need to follow the same principles, principles and methods during successive periods of time, as the element of consistency is complementary to the element of consolidation, and to become comparable accounting information, it must be consistent with the methods and principles used in the preparation of financial statements, and in the event of a change in methods, principles and foundations, it must be disclosed in the appendices and update the value related to the previous year in accordance with the principles and methods adopted in the preparation of the financial statements for the current year to allow its users to compare between time periods.

Applied

Aspect:

To achieve the objective of the study and to complete the research, a random sample was selected from the study population without prior specification. A total of 170 questionnaires were distributed, covering all relevant categories. The following table illustrates the study sample:

Table No. (02-03): Statistics Related to the Distributed Questionnaire Forms

Description	Number	Percentage (%)
Number of questionnaires distributed	170	100%
Number of missing or unreturned questionnaires	12	7%
Number of discarded questionnaires	6	4%
Number of accepted questionnaires	152	89%

Source: Prepared by the researcher based on the sorting of the questionnaire forms.

- 1.) Based on Table (3-2), it is evident that a total of 170 questionnaires were distributed to the study sample. Among these, 12 were missing and 6 were excluded, leaving 152 valid questionnaires, which constitute the studied sample. This represents 89% of the total distributed forms.
- 2.) (1Study Limitations:
- 3.) Time Boundaries:
- 4.) The content and results of the study are linked to the time period in which it was conducted. This study spanned five months, from September 2021 to March 2022, starting with the preparation of the questionnaire, followed by its distribution, and then data collection and analysis.
- 5.) Geographical Boundaries:
- 6.) The geographical scope of the study was limited to Southeastern Algeria, specifically in Ouargla, Ghardaïa, and Touggourt.
- 7.)
- 8.) Human Boundaries:

- 9.) The study targeted accounting professionals, as they are largely responsible for preparing financial statements within the Algerian accounting environment .

Distribution of study sample by academic qualification:

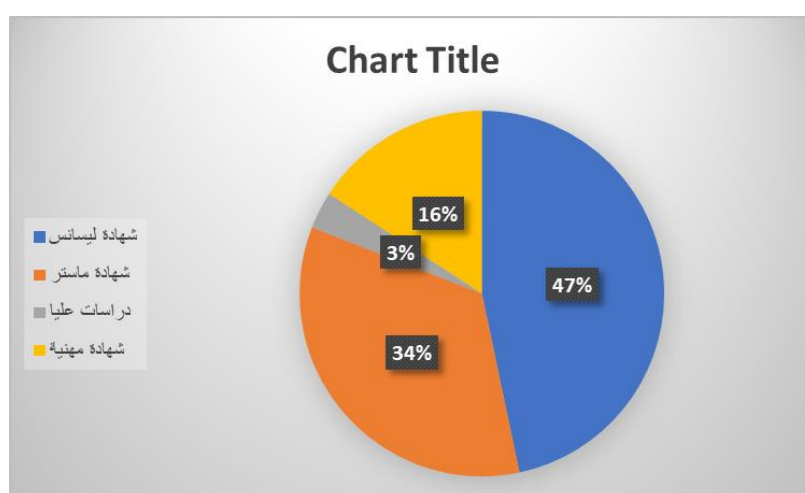
In this requirement, we will distribute the sample members according to the demographic characteristics of the study sample, according to the axes of the first questions of the questionnaire, according to age, educational qualification, type of current profession, professional experience.

Table (03-03): Sample Members by Academic Qualification Variable

Academic Qualification	Bachelor's	Master's	Postgraduate Studies	Professional Certificate	Total
Frequency	71	52	5	24	152
Percentage	46.7%	34.2%	3.3%	15.8%	100%

Source: Prepared by the researcher.

Figure (02-03): Study Sample by Academic Qualification



Source: Prepared by the researchers

The table above shows the distribution of the study sample according to the scientific qualification, which is of great importance in knowing the opinion of the questioned through his scientific level, where in this study we divided the scientific level into four categories (bachelor's, master, postgraduate studies, professional certificate) where the table and the previous figure related to the distribution of the sample members according to the variable of scientific qualification, we note that the category holding a bachelor's degree is the most frequent by 46.7%, followed by the category holding a master's degree by 34.2% and the category followed by professional certificate holders by 15.8% , and the latter category is the least frequent at 3.3%.

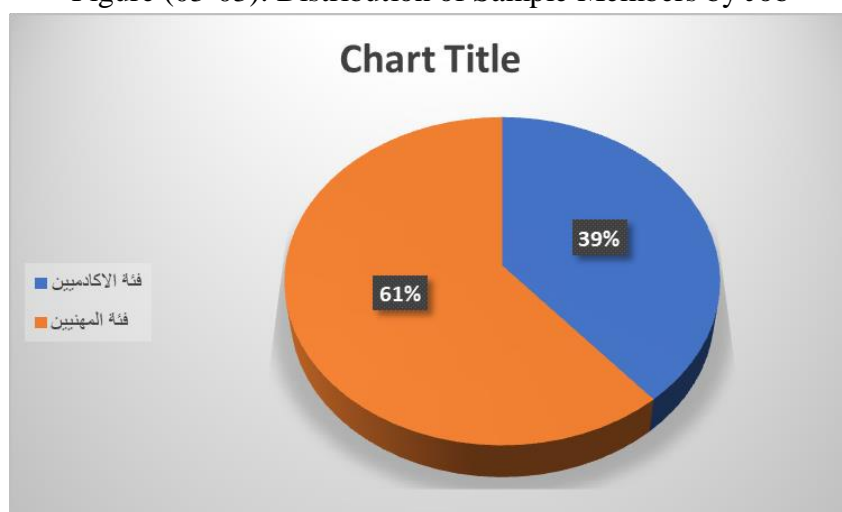
Distribution of the study sample by function:

Table (04-03): Sample Members by Job

Occupation	Academics	Professionals	Total
Frequency	59	93	152
Percentage	38.8%	61.2%	100%

Source: Prepared by the researchers

Figure (03-03): Distribution of Sample Members by Job



Source: Prepared by the researchers

- 1) The above table shows the distribution of the study sample by job urges It is considered very important the opinion of the respondent through his scientific level and the respondents were divided through the profession into two categories, professionals and academics, where Table (03-04) shows the distribution of the study sample by job and through our identification of the two categories of study, represented in the category of professionals and academics, we note that the participation rate of the professional category reached (61.2%) while the percentage of professionals practicing the accounting profession reached (38.8%).(

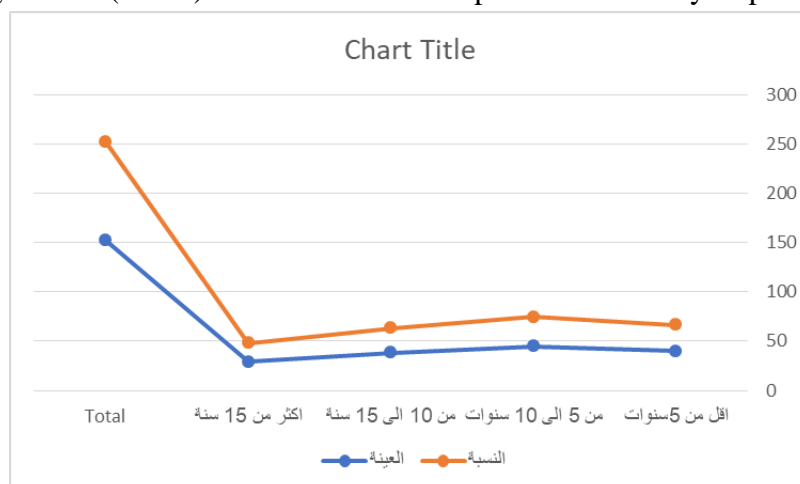
Distribution of the study sample by professional experience:

Table No. (05-03): Sample Individuals by Professional Experience Variable

Experience	Less than 5 years	5 to 10 years	10 to 15 years	More than 15 years	Total
Frequency	40	45	38	29	152
Percentage	26.3%	29.6%	25%	19.1%	100%

Source: Prepared by the researchers

Figure No. (04-03): Distribution of Sample Individuals by Experience



Source: Prepared by the researchers

- 1- Among the important variables on which scientific research depends, which increases research more credible and more accurate, is the variable of professional experience, where it is very important the opinion of the respondent through his professional experience, and the experience of the respondents was divided into four categories, where Table (03-05) shows that (29.5%) of the respondents had professional experience between five to ten years, while for the category less than five years, its percentage was (26.3%), but the category of ten years to five Ten years was (25%) and the percentage of respondents with more than ten years of experience was (19.1%)

Describe the respondents' view on comparability:

Table (07-03): Respondents' Views on Comparability

• Direction	• Statement No.	• Statement	• Mean	• Standard Deviation	• Response
• Agreement	• 01	• Information prepared under accounting flexibility allows for comparison of the financial position of the company over different and successive periods.	• 3.6974	• 1.29205	• Agree
• Agreement	• 02	• Information prepared under accounting flexibility allows for comparison between the company and other companies engaged in similar activities.	• 3.6908	• 1.14645	• Agree
• Agreement	• 03	• Information prepared under accounting flexibility allows for comparison between the	• 3.4868	• 1.16793	• Agree

• Direction	• Statement No.	• Statement	• Mean	• Standard Deviation	• Response
		company's financial indicators and benchmark indicators.			
• Agreement	• 04	• When accounting policies change, the previous year's values are reviewed in accordance with the applied policies to enhance the comparability of financial statements.	• 3.8553	• 1.10632	• Agree
• Agreement	• 05	• Information prepared under accounting flexibility includes various accounting policies applied in the company to enable comparability.	• 3.7434	• 1.07652	• Agree
• Agreement	• 06	• Financial information prepared under accounting flexibility allows for comparability between companies in terms of liquidity, cash flows, and different financial cycles.	• 3.8618	• 1.13959	• Agree
•	•	• Total	• 3.7226	• 0.81287	•

- According to the scale of the total arithmetic mean of the statement and the specific range between (from 3.40 to 4.19) with a value of (3.7226), the opinions of the respondents from the study sample were their answers about the first hypothesis with (OK), meaning that accounting flexibility contributes to improving the comparability of accounting information.
- Statement No. (01) of the first axis: The information prepared in the presence of accounting flexibility allows comparing the financial position of the institution during different and consecutive periods of time. Comparing the financial position of the institution is among the main things in order to say the financial statements are comparable, as we noticed by reading the results extracted from SPSS 22 the respondents' answers by (44.1%) relatively agree as the largest percentage among the available options, while the rest of the options occupied successive varying percentages of 28.3% completely agree and 13.2% disagree at all, while both relatively disagree and neutral were proportionate, respectively, 4.6% and 9.9%, where the arithmetic mean came between the field (of 3.40 to 4.19) with a value of 3.6974 This explains the tendency of the respondents towards answering with: Agree about the statement that the information prepared in the presence of accounting flexibility allows comparing the financial position of the institution during different and consecutive periods of time.
- Statement No. (02) of the first axis: The information prepared in the presence of accounting flexibility allows comparison between the institution and institutions related to the activity. By reading and

processing the results of the respondents in the program (SPSS22), where the respondents' answers were 48% about relatively agreeing about the statement that says: The information prepared in the presence of accounting flexibility allows comparison between the institution and the institutions related to the activity, while 23% of the total answers were completely agreed, followed by 11.2%, 10.5% and 7.5% relatively disagreeing and neutral, followed by completely disagree, where the arithmetic mean between the field (from 3.40 to 4.19) with a value of 3.4868 and this This explains the tendency of the respondents towards answering B: OK about the statement that the information prepared in the presence of accounting flexibility allows comparison between the institution and institutions related to the activity.

Statement No. (03) of the first axis: The information prepared in the presence of accounting flexibility allows comparison between the financial indicators of the institution and the standard indicators. Part of the comparability is considered the comparison of the financial and normative indicators of the institution and by returning to the above table and the results extracted after processing the results of the respondents through the SPSS 22 program, where the results of the respondents' answers were relatively agreeable with the most response percentage by 32.9%, followed by neutral with 30.3%, then completely agree with 20.4%, in the third place, completely disagreeing with 9.2%, followed by relatively disagreeing 7.2%, where the arithmetic average came between the field (from 3.40 to 4.19) with a value of 3.6908 This explains the tendency of respondents to answer B: OK about the statement that says: The information prepared in the presence of accounting flexibility allows comparison between the financial indicators of the institution and the standard indicators.

- Statement No. (04) of the first axis: When changing the accounting policies, the values of the previous year are reviewed as required by the applied policies in order to give the financial statements the ability to compare. The review of the values of previous years in the event of changing the accounting policies applied in the preparation of the financial statements is among the basic points to make the financial statements comparable and by referring to the above table and the results extracted after processing the results of the respondents through the program (SPSS22) it is clear to us where 34.3% of the respondents' opinions were completely agree, followed by 31.6% relatively agree, but 22.4% were neutral about the above statement, while the respondents' answers about the statement were 6.6% and 5.3%, respectively. Relatively disagreeing and not completely agreeing, as the arithmetic mean between the range (from 3.40 to 4.19) was 3.8553, and this explains the tendency of the respondents towards answering with: Agree About the statement that when changing accounting policies, the values of the previous year are reviewed as required by the applied policies in order to give the financial statements comparability.
- Statement No. (05) of the first axis: The information prepared in the presence of accounting flexibility includes the various accounting policies applied in the institution for comparability. The disclosure of the accounting policies applied by the institution is among the most important points that enable users of the financial statements to make a comparison between the various institutions and through the above table and after processing the data of the respondents through the program (SPSS22), it was found that 30.3% of the respondents had their answers in full agreement with the above statement while 28.9% of them were relatively agreed, but 27.6% of them had neutral answers about the statement and 9.9% and 3.3% respectively were relatively disagreeing and disagreeing. Exactly, where the arithmetic mean between the range (from 3.40 to 4.19) with a value of 3.7434, and this explains the tendency of the respondents towards answering with: OK about the statement that the information

prepared in the presence of accounting flexibility includes the various accounting policies applied in the institution for the ability to compare.

Statement No. (06) of the first axis: Financial information prepared in the presence of accounting flexibility allows the ability to compare between institutions through the ability to generate liquidity and cash flows as well as between different cycles. The ability to make comparisons between the institution through the ability to generate liquidity and cash flows between different cycles is a key point for the information to become comparable, and therefore through the above table and after processing the questionnaire data and analyzing the opinions of the respondents, it was found that 38.8% of the respondents' answers were relatively agree about the statement, while 32.2% of the respondents' answers were completely agreed, and 11.8% were neutral about the statement, followed by 11.2% relatively disagree, followed by 5.3% completely disagree, where it came The arithmetic mean between the domain (from 3.40 to 4.19) is 3.8618 This explains the orientation of the respondents towards answering with: OK About the statement that says: Financial information prepared in the presence of accounting flexibility allows the ability to compare between institutions through the ability to generate liquidity and cash flows and also between different cycles .

Description of the Respondents' Views on the Understandability Characteristic for Financial Statement Users:

Table (08-03): Respondents' Views on Comprehensible Characteristic

Direction	Statement No.	Statement	Mean	Standard Deviation	Response
Agreement	01	Information prepared under accounting flexibility is characterized by high informational value.	3.5132	1.25010	Agree
Agreement	02	Accounting information prepared under accounting flexibility enables its users to understand and interpret its content.	3.9342	1.19420	Agree
Agreement	03	The informational content of financial data under accounting flexibility is sufficient to understand the various accounting policies applied.	3.7895	1.14297	Agree
Agreement	04	The format of the basic financial statements and accompanying tables prepared under accounting flexibility helps users understand the financial information.	3.8553	1.09428	Agree
Agreement	05	Information provided under accounting flexibility explains the methods and accounting policies used in preparing financial statements, aiding understanding.	3.8947	1.18578	Agree
Agreement	06	Financial information prepared under accounting flexibility is consistent, readable, and uses a uniform language between the parent company and its branches.	3.7039	1.11485	Agree
		Total	3.7818	0.81022	

Source: Prepared by the researcher from the outputs of SPSS 22

- According to the scale of the total arithmetic mean of the statement and the specific range between (from 3.40 to 4.19) with a value of (3.7818), the opinions of the respondents from the study sample were their answers about the second hypothesis with (OK), meaning that accounting flexibility contributes to enhancing the understandability of information among users of financial statements.

Interpretation of statement No. (01) of the second axis: The information prepared in the presence of accounting flexibility is characterized by high media value.

- Since the media value of information is one of the basic points in the quality of accounting information, the high media value of accounting information automatically leads to improving the quality of accounting information, and accordingly, through the above table, after processing the questionnaire

data and analyzing the opinions of the respondents, it was found that 27.6% of the respondents' opinions were relatively agreeable about the above statement, but 27% of the respondents had neutral answers, followed by 25.5% completely agree, while the other answers were 10.5% and 9.2%, respectively. And the proportion between completely disagreeing and relatively disagreeing, as the arithmetic mean of the phrase between the field (from 3.40 to 4.19) with a value of 3.5132, and this explains the orientation of the respondents towards answering with: OK about the statement that says: The information prepared in the presence of accounting flexibility has a high informational value.

- Interpretation of statement No. (02) of the second axis: Accounting information prepared under accounting flexibility enables its users to understand and realize its content. Understanding and understanding the content of financial information by its users is a key point in improving the quality of accounting information, so the quality of accounting information cannot improve without being perceived and understood by its users. Through the above table and after processing data through the program (SPSS22), it was found that 38.8% of the respondents' opinions were completely in agreement with the above statement, followed by 36.6% relatively agree, while 12.5% of the respondents answered relatively disagree, while the rest of the options are equal in Ratios B: 5.9% completely disagree and neutral, as the arithmetic mean of the phrase between the range (from 3.40 to 4.19) with a value of 3.9342, and this explains the orientation of the respondents towards answering B: OK about the statement that says: Accounting information prepared under accounting flexibility enables its users to understand and realize its content.
- Interpretation of statement No. (03) of the second axis: The informational content of financial information with sufficient accounting flexibility to understand the various accounting policies applied. The informational content is an essential thing in accounting information, so the accounting information must be characterized by informational content in order to improve its accounting quality, and through the above table, after processing the collected data through the questionnaire tool, it was found that 45% of the total answers were relatively agree about the above statement, and 27% of the total respondents' opinions were completely agree with the statement, while 13.2% were neutral of the respondents' opinions, while the rest of the options are equal Completely disagree and relatively disagree. B: 7.2%, where the arithmetic mean of the phrase between the field (from 3.40 to 4.19) with a value The informational content of financial information under accounting flexibility is sufficient to understand the various accounting policies applied, and this explains the orientation of the respondents towards answering B: Agree about the statement that says: The informational content of financial information under accounting flexibility is sufficient to understand the various accounting policies applied.
- Interpretation of statement No. (04) of the second axis: The forms of the basic financial statements and the attached tables prepared in the presence of accounting flexibility help to understand the financial information contained therein by the users of the financial statements. 35.5% of the total opinions of the respondents were relatively agree, while 27.6% completely agreed, but 19.7% of the opinions were neutral and 13.8% were relatively disagreeing, as the arithmetic average of the phrase came between the field (from 3.40 to 4.19) with a value of 3.8553 The informational content of financial information under accounting flexibility is sufficient to understand the various accounting policies applied, and this explains the orientation of the sample members towards answering with: Agree with the statement: Basic financial statement formats and appendix tables prepared with accounting flexibility help the financial information contained therein be understood by users of financial statements.

- Interpretation of statement No. (05) of the second axis: The information provided in the presence of accounting flexibility is characterized by providing the accounting methods and policies adopted in building financial statements in an interpreted and justified manner, which helps its users in the ability to understand. 39.5% of the total opinions of the respondents were relatively agree, while 31.6% were completely agree, but 13.2% of the opinions were neutral, 13.2% were relatively disagree, and completely disagreed, were 2.6%, where the arithmetic average of the statement between the field (from 3.40 to 4.19) was 3.8947, and this explains the orientation of the respondents towards answering with: OK about the statement that says: The information provided in the presence of accounting flexibility is characterized by presenting the accounting methods and policies adopted in building financial statements in an interpreted and justified manner, which helps its users in the ability to understand.
- 2- Interpretation of statement No. (06) of the second axis: The financial information prepared in the presence of accounting flexibility is characterized by harmony, reading ability and harmony of language between the parent company and its various branches. 38.2% of the total opinions of the respondents were relatively agree, while 36.8% were completely agreed, but 12.5% of the opinions were completely neutral and 7.2% were not without an opinion, while completely disagreeing was 5.3%, where the arithmetic average of the statement between the field (from 3.40 to 4.19) was 3.7039, and this explains the orientation of the respondents towards answering with: Agree with the statement: Financial information prepared with accounting flexibility is characterized by consistency, readability and harmony of language between the parent company and its various branches.

Describe the respondents' view on the appropriateness of accounting information:

Table 09-03: Respondents' Views on an Appropriate Characteristic

Direction	Statement No.	Statement	Mean	Standard Deviation	Response
Agreement	01	Accounting information prepared under accounting flexibility is timely for users, contributing to decision-making.	3.5000	1.36658	Agree
Agreement	02	Accounting information prepared under accounting flexibility allows financial statement users to predict future outcomes of their various decisions.	3.5066	1.22337	Agree
Agreement	03	Accounting information prepared under accounting flexibility provides users with feedback value, helping them assess and correct their previous forecasts.	3.5526	1.13808	Agree
Agreement	04	Accounting information prepared under accounting flexibility contributes to reducing uncertainty for its users.	3.6447	1.11823	Agree

Direction	Statement No.	Statement	Mean	Standard Deviation	Response
Agreement	05	Accounting information prepared under accounting flexibility enhances management efficiency by supporting various administrative decisions.	3.9145	1.05444	Agree
Agreement	06	Financial information presented under accounting flexibility, including various appendices, provides a sufficient picture and helps users make diverse decisions.	3.6776	1.10149	Agree
		Total	3.6327	0.79950	

Source: Prepared by the researcher from the outputs of SPSS 22

- According to the scale of the total arithmetic mean of the statement and the specified range between (from 3.40 to 4.19) with a value of (3.6327), the opinions of the respondents from the study sample were the directions of the answer on the second hypothesis with: (OK), meaning that accounting flexibility contributes to enhancing the understandability of information among users of financial statements Improving accounting flexibility Adequately accounting information. Interpretation of statement No. (01) of the fourth axis: The accounting information prepared under accounting flexibility is characterized by the appropriate timing for the user to contribute to decision-making. 29.6% of the total opinions of the respondents were completely agree, while 28.3% were relatively agree, but 16.4% of the opinions were relatively disagree, 14.5% were neutral, and 11.2% completely disagreed, where the arithmetic average of the phrase between the range (from 3.40 to 4.19) was 3.5000, and this explains the orientation of the respondents towards answering with: Agree with the statement: Accounting information prepared with accounting flexibility is timely, for the user to contribute to decision-making.
- Interpretation of statement No. (02) of the fourth axis: Accounting information prepared in light of accounting flexibility allows users of financial statements to predict in advance the future results of their various decisions. 34.2% of the total opinions of the respondents were relatively agree, while 23% were completely agreed, but 19.1% of the opinions were without an opinion, 16.4% were relatively disagree, and completely disagreed was 7.2%, where the arithmetic average of the statement between the field (from 3.40 to 4.19) was 3.5066, and this explains the orientation of the respondents towards answering with: Agree with the statement: Accounting information prepared with accounting flexibility allows users of financial statements to predict in advance the future results of their various decisions. Interpretation of statement No. (03) of the fourth axis: The accounting information prepared in the presence of accounting flexibility enables its users with a retrieval value that helps them evaluate their previous forecasts and the ability to correct them. 34.2% of the total opinions of the respondents were relatively agree, while 21.7% completely agreed, but 26.3% of the opinions were without an opinion, 11.8% were relatively disagree, and disagreed.
- Interpretation of statement No. (04) of the fourth axis: The accounting information prepared in the presence of accounting flexibility contributes to reducing the uncertainty of its users. 39.5% of the total opinions of the respondents were relatively agree, while 23.7% were completely agreed, but 19.1% of the opinions were without an opinion, 13.2% were relatively disagree, and completely

disagreed was 4.6%, where the arithmetic average of the statement between the field (from 3.40 to 4.19) was 3.6447, and this explains the orientation of the respondents towards answering with: Agree with the statement: Accounting information prepared in the presence of accounting flexibility contributes to reducing the uncertainty of its users. Interpretation of statement No. (05) of the fourth axis: Accounting information prepared under accounting flexibility is characterized by its ability to raise the efficiency of management through its contribution to making various administrative decisions. 45.4% of the total opinions of the respondents were relatively agree, while 30.9% completely agreed, but 11.2% of the opinions were without an opinion, 8.6% were relatively disagree, and 3.9% completely disagreed, where the arithmetic mean of the statement was between the field (from 3.40 to 4.19...

Interpretation of statement No. (06) of the fourth axis: The financial information provided in the presence of accounting flexibility through the various appendices includes an adequate picture and allows its users to make various decisions. 44.1% of the total opinions of the respondents were relatively agree, while 21.7% were completely agree, but 19.1% of the opinions were without an opinion, 9.2% were relatively disagree, and completely disagreed was 5.9%, where the arithmetic average of the statement between the field (from 3.40 to 4.19) was 3.6776, and this explains the orientation of the respondents towards answering with: Agree about the statement: The financial information provided in the presence of accounting flexibility through the various appendices includes an adequate picture and allows its users to make various decisions .

Description of the Respondents' Views on the Reliability Characteristic of Accounting Information:
Table No. (10-03): Respondents' Views Regarding the Reliability Characteristic of Accounting Information

Direction	Statement No.	Statement	Mean	Standard Deviation	Response
Agreement	01	Accounting information prepared under accounting flexibility truthfully represents reality.	3.6250	1.36082	Agree
Agreement	02	Accounting information prepared under accounting flexibility is characterized by auditability.	3.8355	1.11844	Agree
Agreement	03	Accounting flexibility adds verifiability to accounting information.	3.6118	1.25043	Agree
Agreement	04	Accounting information prepared under accounting flexibility is neutral, serving various users of financial statements.	3.5132	1.22332	Agree
Agreement	05	Accounting information prepared under accounting flexibility faithfully represents economic events for the reported period.	3.5132	1.18482	Agree
Agreement	06	Accounting information prepared under the Financial Accounting System reflects economic reality, increasing user trust.	3.7039	1.19513	Agree
Agreement	07	Accounting information prepared under accounting flexibility is of high relative importance, aiding users in decision-making.			

Source: Prepared by the researcher from the outputs of SPSS 22

According to the scale of the total arithmetic mean of the statement and the specified range between (from 3.40 to 4.19) with a value of (3.6327), the opinions of the respondents from the study sample were the directions of the answer on the second hypothesis with (OK), meaning that accounting flexibility contributes to enhancing the understandability of information among users of financial statements Improving accounting flexibility Adequacy of accounting information. Interpretation of statement No. (01) of the fifth axis: The accounting information prepared in light of accounting flexibility expresses the reality honestly. 37.5% of the total opinions of the respondents were relatively agree, while 29.6% were completely agree, but 14.5% of the opinions were completely disagree, 11.8% were without opinion, and relatively disagreeing was 6.6%, where the arithmetic average of the phrase between the field (from 3.40 to 4.19) was 3.6250, and this explains the orientation of the respondents towards answering with: Agree about the statement: Accounting information prepared under accounting flexibility expresses the truth of reality. Interpretation of statement No. (02) of the

fifth axis: The accounting information prepared under accounting flexibility is characterized by auditability. It was what the lineage...

- %29.6 of the total opinions of the respondents were relatively agree, while 28.9% were completely agreed, but 22.4% of the opinions were without an opinion, 10.5% were relatively disagree, and disagreed at all were 8.6%, where the arithmetic average of the statement between the field (from 3.40 to 4.19) was 3.6118, and this explains the orientation of the respondents towards answering with: Agree about the statement: Accounting flexibility gives accounting information verifiability. Interpretation of statement No. (04) of the fifth axis: The accounting information prepared under accounting flexibility is characterized by neutrality, i.e. serving the various users of the financial statements. 34.2% of the total opinions of the respondents were relatively agree, while 23% were completely agreed, but 22.4% of the opinions were without an opinion, 11.2% were relatively disagree, and disagreed at all was 9.2%, where the arithmetic average of the statement between the range (from 3.40 to 4.19) was 3.5132, and this explains the orientation of the respondents towards answering with: Agree about the statement that says: The accounting information prepared under the accounting flexibility is characterized by neutrality, i.e. serving the various users of the ... Interpretation of statement No. (06) of the fifth axis: The accounting information prepared in accordance with the financial accounting system reflects the economic reality, which increases the confidence of its users. 37.5% of the total opinions of the respondents were relatively agreeing, while 28.9% were completely agreed, 17.1% of the opinions were completely agree, 11.8% were without an opinion, and disagreed at all were 4.6%, where the arithmetic average of the statement between the range (from 3.40 to 4.19) was 3.7039, and this explains the tendency of the respondents towards answering with: OK about the statement that says: The accounting information prepared in accordance with the financial accounting system reflects the economic reality, which increases the confidence of its users. Interpretation of statement No. (07) of the fifth axis: Accounting information prepared in light of accounting flexibility is of high relative importance that contributes to the ability of users to make decisions. 32.9% of the total opinions of the respondents were relatively agree, while 28.3% were completely in agreement, 17.8% of the opinions were without opinion, 16.4% were relatively disagree, and disagreed at all were 4.6%, where the arithmetic mean of the statement between the domain (from 3.40 to 4.19) was 3.70...

Cronbach's Alpha Coefficient

Table No. (11-03): Cronbach's Alpha Coefficient for the Study Sample

Axis	Statement	Reliability Coefficient	Number of Items
01	The effect of accounting flexibility on the comparability of accounting information	0.812	6
02	The effect of accounting flexibility on the understandability of financial statements by users	0.790	6
03	The effect of accounting flexibility on the relevance of financial information	0.771	6
04	The effect of accounting flexibility on the reliability of accounting information	0.825	7

Axis	Statement	Reliability Coefficient	Number of Items
—	Total	0.911	25

Source: Prepared by the researcher based on the outputs of SPSS 22.

Through Table No. (03-11) related to honesty by measuring the proof of the study tool, we find that the coefficients ranged between (0.771 and 0.825), where the total Cronbach alpha coefficient was 0.911, i.e. 91%, and the stability of the axes was found between 77% as a minimum and 82.5% as a maximum, and 91% represents a high coefficient, which increases the questionnaire's stability, which makes it enjoy a high degree of acceptance and stability, which allows us to apply to all members of the sample.

Conclusion:

Through this chapter, we tried to measure the impact of accounting flexibility on the quality of accounting information, and this is through the use of the questionnaire as a tool to collect information and investigate the views of the respondents of the study sample, which we deem appropriate for that, and as a general summary of the results of this chapter, we noticed the knowledge of the categories questioned for the importance of the role of accounting flexibility in affecting the quality of accounting information, and the following are the most important results of hypothesis testing: By analyzing the results of the first hypothesis, we conclude the support and approval of the respondents for the role of accounting flexibility in improving the comparability of accounting information, and this leads us to accept the first nihilistic hypothesis: "There are no statistically significant differences between the respondents' opinions regarding the impact of accounting flexibility on the property of comparability of accounting information" By analyzing the results of the second hypothesis, we conclude that the respondents support and agree on the role of accounting flexibility in improving the property of the ability of accounting information to be understood, and this is what leads us to accept The second nihilistic hypothesis: "There are no statistically significant differences between respondents' opinions regarding the impact of accounting flexibility on the property of...

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