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The role of compliance with accounting disclosure requirements in improving the quality attributes of financial statements of economic entities in Algeria: A study of opinions of a sample of financial users in southeastern Algeria

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Abstract---This study seeks to identify the extent of the impact of compliance with accounting disclosure requirements on the media content of financial statements issued by economic institutions in Algeria, in light of the growing need and importance of accounting information for users of financial statements in the decision-making process; A field study was conducted using a questionnaire tool, to distribute the form to a sample of users of financial statements: such as economic institutions, banks, and the tax administration in the southeast of Algeria, in order to collect and analyse data using the Statistical Package for the Social Sciences (SPSS) program; The study concluded that there is a commitment to the accounting disclosure requirements by economic institutions in Algeria after the implementation of the financial accounting system (SCF) in 2010, as it contributed positively to improving the quality of accounting information contained in the financial statements, which enhanced the media content of these statements, by increasing reliance on them and their impact on decision-makers.

Keywords---Accounting disclosure, financial statements, accounting information, media content, decision making.

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1. Introduction

Amidst the widespread spread of international accounting standards worldwide, Algeria followed the same approach and carried out accounting reforms by adopting the Standard Financial Accounting (SCF) in 2010, which includes a set of rules, foundations and texts related to accounting measurement, disclosure, inclusion and recognition as guidelines for accounting practices.

Financial statements are an output of the accounting system of any institution as a result of its commitment to the requirements of accounting disclosure. They are the effective means of achieving the communication function in accounting. Through them, the needs of users can be met and their various decisions can be rationalized. In order for the financial statements to be understandable and clear to all parties using them, their accounting information must have qualitative characteristics to enhance their informational content for their users, in light of the contemporary trend of disclosure towards providing information appropriate for making decisions that require a great degree of knowledge and experience in understanding and using them in making their decisions.

1-1. Raising the problem

From the above, the following question can be raised:

How does compliance with accounting disclosure requirements profits from financial statements prepared by economic organization under the financial accounting system in the Algeria environment

1-2-Study Hypotheses: In order to facilitate the treatment of the problem at hand, we have formulated the following hypotheses**:**

-Main Hypothesis: In order to facilitate the treatment of the problem at hand, we have formulated the following hypothesis**:**

Compliance with accounting disclosure requirements contributes to enhancing the qualitative characteristics of the financial statements issued by economic institutions in the context of the implementation of the Standardized Financial Accounting (SCF) system in the Algerian environment.

From this, the following hypotheses are derived:

- Economic institutions are committed to the accounting disclosure requirements in accordance with the Standard Financial Accounting (SCF) system in Algeria.
- The implementation of the Standard Financial Accounting (SCF) system has contributed to establishing qualitative characteristics in the financial statements issued by institutions operating in the Algerian environment.

1-4. Importance and objectives of the study:

- The importance of the study: This study stems from the importance of the media content of the financial statements, based on the availability of the qualitative characteristics of accounting information in the financial statements, i.e. its accounting information is characterized by high quality, so that it can meet the needs of its users and help them rationalize their economic decisions.

- Objectives of the study: The most important objectives of the study can be highlighted as follows:

_Addressing the requirements of accounting disclosure according to the financial accounting system.

_Determining the availability of financial statements on qualitative characteristics, and evaluating the quality of the accounting information contained therein.

_ Evaluating the media content of the financial statements by determining the extent and importance of relying on accounting information in decision-making, and its relationship to the reality of accounting disclosure in the Algerian environment.

2-**Theoretical Literature**

2-1 .Accounting Disclosure

Accounting disclosure is defined as "the presentation of accounting information to interested parties in the form of lists and data that differ according to the desired benefit, which is affected by the differences between the parties benefiting from that information on the one hand, and by the differences in their cultural level and knowledge of the reality of economic conditions on the other hand[1]".

2-1-2-Accounting Disclosure Requirements

The Financial Accounting System has given great importance to accounting disclosure, by prioritizing the standards related to the preparation and presentation of financial statements. This is done with the aim of ensuring that financial statements prepared in accordance with it gain credibility and transparency, and to reduce the differences and deficiencies between them and statements prepared in accordance with international accounting standards. Thus, it aligns with the objective of the International Accounting Standards Authority, which focuses on improving the quality of accounting and financial information.

Among the accounting disclosure requirements under Law No. 07-11 corresponding to November 25, 2007, which includes the Financial Accounting System, are the following:

- The financial statements must accurately present the financial position of the institution and any changes that occur in its financial condition. They must reflect all the operations and events resulting from the institution's transactions and the effects of events related to its activity.
- The financial statements are the responsibility of the managers and must be prepared within a maximum period of (04) months from the closing date of the fiscal year. They must be distinct from other information that may be published, and the financial statements must be presented in the national currency.
- The financial statements provide information that allows for comparisons with the previous fiscal year. If comparison is not possible due to changes in valuation or presentation methods, it is necessary to adjust the amounts for the fiscal year to make the comparison possible. If comparison is not possible again for any reason, the adjustments made to the amounts for the previous fiscal year must be explained in the appendix to ensure comparability.
- The accounting fiscal year covers (12) months and is a calendar year. However, an institution may be permitted to close the fiscal year on a date other than December 31 if its activity is linked to an operating cycle that does not coincide with the calendar year. In exceptional cases where the fiscal year duration is less or more than (12) months, particularly in the case of the establishment or discontinuation of the institution, or in the case of a change in the closing date, the prescribed period must be specified and justified. Assets are arranged according to their degree of liquidity, and liabilities are arranged according to their degree of maturity, in addition to the annualization principle in distinguishing between current and non-current items.
- Transactions are recorded and presented in financial statements according to their economic reality, without adhering solely to their legal appearance.
- In addition to historical cost, fair value, current value, and convertible value are used as alternatives for measurement.
- Expenses and revenues are classified according to their nature and function, and the result is recorded directly in the private equity accounts.
- Revenue from the sale of goods or the provision of services is recognized after ensuring that the value has been collected and the risks and benefits have been transferred from the seller to the buyer.
- Financial statement presentation methods, including the table of changes in private equity and the treasury liquidity table, are adhered to, in accordance with the provisions of the Financial Accounting System.

2. Financial statements and the qualitative characteristics of their information
2-2-1-What are financial statements?

Financial statements are comprehensive documents that provide a concise picture of the performance and financial position of any economic entity. They represent the final outcome of the accounting process. These financial statements generally include: the balance sheet, the income statement, the cash flow statement, the change in capital statement, and the appendices. They are an important source of information relied upon by decision makers and a primary means of communicating accounting information to external parties.

2-2-2. Types of financial statements: Among the types of financial statements are:
-Balance Sheet: According to Article 32 of Executive Decree 08-156, "...the balance sheet is a table or list showing the elements of both assets and liabilities based on a specific classification. Assets are classified as current and non-current items, while liabilities are classified as special funds, non-current liabilities, and current liabilities..."
- Statement of Income and Loss Accounts: "This is a summary statement of the expenses and products accomplished by the entity during the fiscal year, without taking into account the date of collection or date of withdrawal, and clearly shows the net result for the fiscal year, whether profit or loss."
- Cash flow statement: The cash flow statement presents the income and expenditures of financial assets during the fiscal year according to their source. Its purpose is to provide users of financial statements with a basis for assessing the entity's ability to generate cash and its equivalents, as well as information about the use of this cash flow.[2] It provides information about the cash flows in and out of the three main activities: operating, investing, and financing, as well as the reasons for the difference between the accounting net profit, in addition to the impact of cash flows on the entity's financial position.[3]

US Accounting Standard No. 95 specifies the form and content of the cash flow statement, which must show the cash flows in and out of operating, investing and financing activities.[4]
-List of changes in private capital: The changes in private capital table constitutes an analysis of the movements that affected each of the quarters that make up the entity's private capital during the fiscal year.[5]

The private capital change table also represents an analysis of the movements that affected each of the chapters that make up the institution's private capital during the fiscal year.[6]
-R- **Appendices**: The appendix is an important financial document that allows for understanding the methods of preparing the aforementioned financial statements and determining the accounting methods that were adopted to do so, then providing details and supplementary information that allow for a correct and accurate understanding and proper reading of the budget, calculation of results, the treasury flow table, and the special funds change table.[7]
The main elements of the appendices are explanations of the principles and methods used; interpretations of data elements; and transactions that occur between branches and the parent institution[8].
-Users of financial statements and their information needs
Users of financial statements include investors, employees and lenders, suppliers and creditors, customers, governments and their agencies and institutions, the public, etc. These users use financial statements to meet some of their information needs in the service of their purposes.[9]

2-2-3. Qualitative characteristics of financial statements:
Financial statements include what is known as accounting information, which is a form of appropriate knowledge resulting from operational processes to serve specific purposes, represented by final results

or outputs that support decisions and activities through their use by stakeholders.[10] They are quantitative in nature, helping management evaluate an organization's performance.[11]

This information is characterised by a set of qualitative characteristics that determine whether the information resulting from the application of a specific accounting alternative is more or less useful in the field of decision-making. It is of two types:[12]

A-Primary Qualities: These are the characteristics that must be present in published accounting information. If they are not present, this information loses its importance and becomes useless to users. They are:

A-1-Relevance: It means that the information has the ability to influence the decision-making process.[13] It is also defined as the ability of information to make a difference in the decision, whether by helping to form predictions or confirming previous expectations.[14]

To be appropriate, the following sub-characteristics must be present:[15]

-Predictive period: the ability to be relied upon as a basis for making future predictions by decision-makers;

- Retrospective value: the ability to verify the accuracy of predictions;

-Timeliness: the availability of information at the appropriate time;

A-2-Reliability: According to the FASB, it is a characteristic of information that allows for reasonable certainty and freedom from error and bias, and that it faithfully represents the information it represents.[16] Reliability requires the following sub-characteristics:

- Expression truth: This refers to the consistency of accounting information with the economic events it represents, with complete honesty and integrity;

- Neutrality: The absence of bias toward a particular group of users, meaning that the interests of one group do not prevail over those of another;

- Verifiability: This refers to the possibility of accessing the same information by other parties, provided that the latter are independent and use the same measurement methods and techniques used in its preparation;

B-**Secondary Qualites**: These are the characteristics that provide greater benefit to the information, and perhaps their availability enhances the benefit of the main characteristics previously mentioned. These characteristics can be summarized as follows:

B-1-Understandability: According to IASC, it means that it should be easy and understandable by the parties using it. Users are also assumed to have an acceptable level of knowledge that enables them to do so.[17] According to FASB, the information contained in financial reports should be understandable (clarity and simplicity) for those who have a reasonable understanding of the business and economic activities.[18]

B-2-Comparability: This refers to providing accounting information that allows comparisons to be made between similar entities in the same industry. This increases the usefulness of the information, as it allows for an assessment of the position and status of the entity in question compared to similar entities. Consequently, the information is useful when making comparisons across several consecutive accounting periods, which allows for the study and interpretation of the changes observed.[19]

2-3-The Effectiveness of Financial Statements as a Good Information Conveyor:

A set of indicators can be used to help judge the effectiveness of financial statements, the most important of which are:[20]

- The extent to which financial reports include the minimum amount of information that must be disclosed.

- The extent to which users rely on financial statements as a source of information, and the importance of each part of these statements in decision-making.

- The extent to which users read each part of the financial statements, and which parts are read in detail and which are read briefly.
- The extent to which the information contained in the financial statements is understood and its relevance for decision-making.
- Assuming information is available, another challenge lies in determining the required amount of this information and the manner in which it is presented to suit the decision-making process. The available information must be appropriate in terms of quality (accuracy, comprehensiveness, quantity), time, and cost.

3- Previous Studies on the Subject

There are several studies that have addressed the topic of accounting disclosure, the qualitative characteristics of financial statements, the quality of their information, and the relationship between them. These studies can be presented as follow

3-1-A study (Naji Bin Yahya, 2013)[21]:This study examined the role of accounting information quality in improving accounting disclosure. A field study was conducted at the Grand Mills of the South (GMS), using a questionnaire as the study tool. The researcher reached the following conclusions:
- The quality of accounting information is reflected in its qualitative characteristics, the most important of which are relevance and reliability, along with their secondary characteristics.
- The quality of accounting information has a positive impact on the effectiveness of accounting disclosure, an unavoidable necessity for guiding decision-makers.
- Adherence to disclosure requirements in accordance with international accounting standards enhances the quality of accounting and financial information, increases investor confidence, and reduces uncertainty. Furthermore, the implementation of the financial accounting system in Algeria has enabled institutions to disclose financial statements that enable decision-making and comparisons, enabling investors to compare investments and choose the best alternative on a sound basis.

3-2-Study (Nasser Muhammad Ali Al-Majhaly, 2009)[22]: The theoretical study addressed the characteristics of accounting information and its impact on decision-making. The results of the statistical analysis of the sample's opinions showed a high degree of agreement and support from the majority of respondents regarding the fact that the financial reports published by commercial companies in Yemen provide appropriate accounting information that influences decision-making. The most important findings reached are as follows:
- The majority of respondents agreed with the high predictive and feedback value of accounting information and its suitability for modifying the behavior of decision-makers and enabling them to make future predictions. However, it must be issued at the appropriate time.
- There is also disagreement and variance regarding the impact of departing from generally accepted accounting principles to obtain appropriate information, which underscores the importance of consistency in the use of methods and policies, along with the importance of companies publishing their reports at current value, especially during times of inflation.

3-3-A study (George latridis, 2006 This study, conducted by a UK stock market researcher, **,[23])** focused on the disclosure of accounting practices related to the financial statements of UK companies, to analyze the financial characteristics of companies that provide (to the press and investors) extensive financial disclosures, and to evaluate the financial impact and motivation of such disclosures. The study showed that companies that provide detailed accounting disclosures tend to achieve higher profitability. Since the application of international standards in preparing financial reports enhances the quality and comparability of financial statements, it also supports consistency and reliability in financial reports, which makes it easier for these companies to obtain funds from various global financial sources.

3-4- A study (Mohammed Ben Saddik,2022) : In this paper, focused on the accounting disclosure requirements in the elements of the financial statements in light of the International Accounting Standards, with the aim of highlighting the importance of the disclosure process and showing its contribution to giving a clear picture about the entity's performance and its financial position and cash flow adding to capital changes by providing credible and expressive information about the entity's position. The study found that the financial accounting system came with several directives related to the requirements of disclosure, which would give reliable and comparable financial information that helps in decision making. Witchis expressed by a positive, statistically significant relationship between the degree of accounting disclosure and the quality of the financial statements, and therefore the accounting disclosure should be adapted to be more compatible with IAS.

3-5- A study (Richard Lambert & Christian Leuz & Robert E. Verrecchia,2007)[24] : In this paper we examine whether and how accounting information about a firm manifests in its cost of capital, despite the forces of diversification. We build a model that is consistent with the Capital Asset Pricing Model and explicitly allows for multiple securities whose cash flows are correlated. We demonstrate that the quality of accounting information can influence the cost of capital, both directly and indirectly. The direct effect occurs because higher quality disclosures affect the firm's assessed covariances with other firms' cash flows, which is non diversifiable. The indirect effect occurs because higher quality disclosures affect a firm's real decisions, which likely changes the firm's ratio of the expected future cash flows to the covariance of these cash flows with the sum of all the cash flows in the market. We show that this effect can go in either direction, but also derive conditions under which an increase in information quality leads to an unambiguous decline in the cost of capital.

3-6- A study (George Emmanuel Iatridis,2008)[25]: This paper focuses on the disclosure of accounting information in the financial statements of UK firms. The primary objective of the study is to analyse the financial characteristics of firms that provide extensive disclosures, and assess the financial impact of their motives, such as for example the need to raise equity finance. The study examines the financial attributes of firms that disclose information about key accounting issues including risk exposure, changes in accounting policies, use of international financial reporting standards and hedging practices. Firms are inclined to disclose accounting information in order to assure the market participants that their accounting policies are consistent with the accounting regulation and meet the information needs of their stakeholders. The study shows that in order to raise finance in the capital and debt markets, firms tend to provide extensive accounting disclosures. Firms that provide informative accounting disclosures appear to display higher size, growth and leverage measures. The findings also show that the disclosure of sensitive accounting information has not adversely affected firms' profitability. In fact, firms that provide detailed accounting disclosures tend to exhibit higher profitability. The implementation of international financial reporting standards enhances the quality and the comparability of financial statements; hence it promotes consistency and reliability in financial reporting and facilitates companies in raising capital internationally.

3-7- **A study (Faisal Mahmoud Shawawreh**,**2008),[26]:**This study aimed at reviewing and analyzing the literature concerning the consolidated financial statements including disclosure constraints, consolidated income, financial position, and identifying weaknesses of measuring their information content using traditional financial indicators. The study concludes that traditional financial indicators can not be used alone to measure investment performance of corporations and recommends using non-traditional measures along with traditional measures. The study also recommends implementing unified principles for investment accounting including fair value accounting and treating minority interests as part of the group equity. This has the potential to improve disclosure level of consolidated financial statements and to increase their ability to evaluate investment performance within the context of Jordanian holding companies operating in Amman stock exchange.

3-8- A study (Kennedy Prince MODUGU, Sharlywest Uwabor EBOIGBE,2017)[27]: This study examines the determinants of corporate disclosure level of listed companies in Nigeria. Specifically, the study investigates the relationship between two structure characteristics and corporate disclosure in Nigerian listed firms. The data used in the study were obtained from the annual reports of 60 companies listed on the Nigerian Stock Exchange from the various sectors of the Nigerian economy. The study covers the post International Financial Reporting Standards (IFRSs) adoption period of three years (2012 – 2014). Findings from the descriptive statistics reveal that contrary to prior findings, there is a steady improvement in mandatory disclosure by Nigerian companies since the country's adoption of IFRSs. However, voluntary disclosure still remains relatively low. Our empirical results show a significant positive association between firm size and mandatory disclosure. The results also reveal a significant negative relationship between leverage and mandatory disclosure. Both leverage and firm size showed a significant positive relationship with voluntary disclosure. The combined effect of leverage and firm size show a significant positive relationship with total disclosure. Based on these findings, we recommend that the Financial Reporting Council of Nigeria and other regulatory agencies should intensify efforts towards enforcement of companies' compliance with the requirements of IFRSs and other relevant statutory provisions.

3-9-A study (George Iatridis,2006)[28];This study investigates the impact of the implementation of the International Financial Reporting Standards (IFRSs) on key financial measures of UK firms and explores their incentives to provide voluntary disclosures before the official IFRS adoption. The study also examines the volatility effects of IFRS implementation, the earnings management potential under IFRSs and the value relevance of IFRS-based financial statement information. The findings show that IFRS implementation has favourably affected the financial performance (e.g. profitability and growth potential) of firms. The study provides evidence that firms are likely to provide voluntary IFRS disclosures. Key motives include size, growth, profitability and leverage, which appear to be more favourable for voluntary disclosers. The provision of voluntary IFRS disclosures in the pre-official adoption period has assisted voluntary disclosers in their IFRS adoption process. Following the fair value orientation of IFRSs, the transition to IFRSs appears to introduce volatility in key income statement and balance sheet figures. The study also demonstrates that IFRS adoption reduces the scope for earnings management and leads to more value relevant accounting measures.

3-10- A study (Abbas Fadel, ZainabJaafar, HananSalih ,2022),[29]**:**This study aimed to identify the relationship between the accounting disclosure of the financial statements and its impact on investment efficiency and rationalization of the investment decision of investors with commercial banks listed in the Iraqi Stock Exchange, The study community consists of commercial bank departments, financial managers, investors in the Iraqi Stock Exchange and auditors outside those banks listed in the Iraqi market, and the data was analyzed to test the hypothesis The study using the statistical program (SPSS) and the results of the study showed that there is a statistically significant relationship between the accounting disclosure in the financial statements issued by those banks and the investment efficiency, and that there is a strong impact of the content of the disclosure of financial forecasts on the investment decision of the investor. The study recommended a set of recommendations the most important of which is workingon increasing the quality of accounting disclosure in the financial statements and raising investor awareness Reignof the importance of financial forecasts disclosed by commercial banks and how to use them in rationalizing the irinvestment decisions through holding seminars and issuing awareness bulletins.

3-11-A study (Mounir Bouadam1, Mohamed Larbi Ghouzi, 2019),[30]:This study examines the reality of disclosure and transparency in Algerian companies, where 2017 data are obtained from seven companies, five of which are listed on the Algiers Stock Exchange. Standard and poor's methodology is used to determine the average disclosure and transparency results as a dependent variable for size, leverage, absence or variation of accounting standards and legal form of the company. The results indicate that the level of disclosure and transparency in Algerian companies is low, as well as the negative impact of the absence of international financial reporting standards implementation in the Algerian context to the quality and amount of information disclosed. Keywords: Reality, Disclosure, Transparency of information, Algerian companies.

3-12- A study (Nadjib Khadri, Sami Sobhi Waked, Soufyane Bouali, Mohamed Ali Brahim Omri,2023),[31]: This paper aims to investigate the relation between annual document disclosure and the stock liquidity for companies listed on the Algeria stock market. VAR model was used to examine the impact of the market efficiency on stock prices of the companies during 2000 to 2015. The findings indicate that, there was no significant effect related to the timing of publication of financial information over a period of study on stock returns in the days around the publication days of annual financial statements; Accounting disclosure also affects, directly or indirectly, the decisions of investors ,as wellas activating the stock market and increasing the movement of trading and stock prices with it The effect of disclosure becomes clear when the information is published late or inaccurate or excellent in its presentation and its failure to rely on agreed accounting principles and standards, or result in a negative impact on the behaviour of the investor, This affects the degree of risk that he is willing to bear according to his circumstances. The timing of the financial information release depends on the basic environment in which Algerian institutions operate.

3-13- **A study** (**lakhdar Rinouba, keltoum Houari, 2021)[32],**Through this study, we seek to measure the role of accounting disclosure in accordance with international accounting standards in activating the media content of financial statements in the Algerian accounting environment. and professionals in the accounting field in Algeria, The questionnaire tool was relied upon to collect data. Through its analysis, it was concluded that there is a statistically significant effect of accounting disclosure in accordance with international accounting standards on the effectiveness of the media content of the financial statements Finally,

4-. Methods and Tools Used :

This section aims to clarify the views of the study sample regarding the phenomenon under investigation, based on the **descriptive-analytical approach** and **statistical methodology** to process data and analyze and interpret the obtained results.

4-1Study Population and Sample :

The study population includes preparers and users of financial statements, comprising accounting practitioners, financial and economic investors, lenders, financial institutions, suppliers, and customers. A **random sample** was selected from economic institutions, banks, and tax administration offices in the southeastern provinces of Algeria. A total of **200 electronic questionnaires** were randomly distributed, and only **88 responses** were received. After screening the responses, **81 valid questionnaires** were used, while **7 were excluded** for being invalid for the study.

4-2-Study Instrument :

Sources of Data Collection:

To achieve valid results, it is essential to collect accurate data from the correct source using the appropriate method. Researchers typically rely on a variety of sources to enrich the topic and answer the research question with precise and specialized information. These sources can becategorized as:

- **Secondary Sources:** Including Arabic and foreign references, books, articles, conferences, scientific research, and electronic sources.
- **Primary Sources:** Involving the collection of primary data through a **structured questionnaire** distributed to the study sample, which includes financial statement preparers and users in economic institutions, banks, and tax departments.

Questionnaire Design :

The questionnaire consists of **two parts**, as follows:

- **Part One:** Contains personal data related to the study sample (age, qualification, job position, years of experience, and employing institution).
- **Part Two:** Covers the core themes of the study, revolving around the **requirements of accounting disclosure** and the **qualitative characteristics of accounting information**. It includes **thirty-two (32) questions**, distributed across three main axes to obtain accurate and clear responses from participants:

-First Axis: Aims to examine the extent to which economic institutions comply with financial accounting disclosure requirements under the **Financial Accounting System (SCF)**. This axis includes **10 statements**.
-Second Axis: Seeks to assess the presence of qualitative characteristics in accounting information presented in financial statements prepared under SCF. This axis includes **12 statements**.
-Third Axis: Aims to evaluate the contribution of compliance with accounting disclosure requirements in enhancing the qualitative characteristics of financial statements. This axis includes **10 statements**.

4-4-Statistical Processing Methods :
To answer the research questions and test the hypotheses, several statistical techniques were employed to verify the **reliability and validity** of the study and to analyze its data. Data were coded and entered using **SPSS version 20**. The techniques used include:

- Frequencies and percentages to identify the characteristics of the study sample;
- **Cronbach's Alpha coefficient** to test the reliability and validity of the study instrument;
- Calculation of **means** and **standard deviations** for each questionnaire axis to determine the study's significance;
- **Multiple regression coefficient** to measure the impact of the independent variable on the dependent variable;
- **ANOVA test**

Reliability and Validity of the Instrument :
To confirm the reliability of the questionnaire, **Cronbach's Alpha** was calculated, which reflects the internal consistency of the instrument and whether it would yield consistent results if repeated.

Table (1-1): Cronbach's Alpha Reliability Coefficient for the Study Sample

Sample Size	Number of Items	Cronbach's Alpha
81	32	0.884

Source: Prepared by the researcher based on SPSS output

From Table (1-1), we observe that the overall reliability of the questionnaire is **0.884**, which is greater than **0.62**, indicating that the instrument is **highly reliable**. In other words, if the questionnaire were redistributed to the same sample under the same conditions, **88% of participants** would likely give the same responses

Internal Consistency of the Instrument :
The **calculated significance level** is **0.000**, which is less than the critical value of **0.05**. Therefore, there is a **statistically significant relationship** between the **independent variable** (compliance with accounting disclosure requirements) and the **dependent variable** (qualitative characteristics of financial statements). The **correlation coefficient** R = **0.49**, indicating a **positive correlation**.

5. Study Results and Discussion :

5-1 Presentation and Analysis of Results :
This part presents the findings obtained and analyzes them based on the collected and processed data to identify the tendencies of the study sample in relation to each research axis.
a. Descriptive Statistical Analysis of the Sample's Views on:
“The reality of economic institutions’ compliance with accounting disclosure requirements under the Financial Accounting System in Algeria”
A summary of the participants’ answers to this question reveals:

- The **overallmean** = **2.749**
- The **standard deviation** = **0.283**

This indicates that the responses are generally **positive**, suggesting that economic institutions **comply with accounting disclosure requirements** under Financial Accounting System.
b. Descriptive Statistical Analysis of the Sample's Views on:
“The availability of qualitative characteristics in accounting information presented in financial statements prepared under SCF”

- The **overallmean** = **2.66**
- The **standard deviation** = **0.3368**

This indicates **positive approval** from participants regarding the **availability of qualitative characteristics** such as relevance, reliability, comparability, and understandability in the financial statements.

5.2 Hypotheses Testing :
a.First Hypothesis:
There is compliance by economic institutions with accounting disclosure requirements under the SCF.

- **Null Hypothesis (H0):** There are no statistically significant differences in the level of compliance based on personal variables.
- **Alternative Hypothesis (H1):** There are statistically significant differences based on personal variables

Table (2-13): ANOVA Test Results

Variable	F Value	DegreesoFreedom	P-value
Job Position	0.585	80	0.560
Experience	0.977	80	0.381
Employing Institution	0.684	80	0.507

Conclusion: Since all p-values > 0.05, we **accept H0**. This indicates that there are **no significant differences** in compliance based on personal variables.

b-Second Hypothesis:
Qualitative characteristics exist in accounting information in SCF-based financial statements.

- H0: No significant differences based on personal variables.
- H1: Significant differences exist based on personal variables.

Table (2-14): ANOVA Test Results

Variable	F Value	Degrees of Freedom	P value
Job Position	0.377	80	0.687
Experience	1.604	80	0.208
Employing Institution	1.691	80	0.19

Conclusion: All p-values > 0.05, so we **accept H0**. No significant differences were found based on personal variables.

c-Third Hypothesis:
Compliance with disclosure requirements contributes to enhancing the qualitative characteristics of financial statements.

- H0: No significant differences based on personal variables.
- H1: Significant differences exist based on personal variables.

Variable	F Value	Degrees of Freedom	P value
Job Position	1.531	80	0.223
Experience	1.422	80	0.247
Employing Institution	5.087	80	0.008

Conclusion: The only significant difference found was based on the employing institution (**p = 0.008**). Thus, we **reject H0** only for that variable. This supports the idea that **disclosure enhances the quality** of accounting information.

5-3-Discussion of Findings:

- **Disclosure Compliance:** The results confirm that economic institutions in Algeria **comply with SCF requirements**, enhancing financial transparency. These findings are consistent with **Ben Yahia (2013)**.
- **Qualitative Characteristics:** The diversity and improvement in disclosure frameworks have enhanced the **clarity and reliability** of financial data, supporting the findings of **Al-Majhali (2009)**. This leads to improved decision-making.

6-Conclusion

The implementation of the Financial Accounting System in Algeria has significantly improved accounting disclosure practices, making financial statements more responsive to the needs of all stakeholders. The study sample widely agreed that financial statements issued by Algerian institutions:

- Comply with disclosure requirements,
- Possess key qualitative characteristics, such as relevance and reliability, and
- Provide high-quality information suitable for decision-making.

In summary, there is a strong consensus among participants that compliance with disclosure requirements positively influences the qualitative characteristics of financial statements. This supports the growing importance of information content in financial reporting in today's business world.

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