THE IMPACT OF THE APPLICATION OF INTERNATIONAL ACCOUNTING STANDARD (34) ON ENHANCING THE QUALITY OF ACCOUNTING INFORMATION

Assad Munshid Mohammed

College of Administration and Economics, University of Babylon, Iraq.
bus.asaad.munshid@uobabylon.edu.iq
https://orcid.org/0009-0007-7703-7628

Abstract

The current research aims to show the impact of the International Accounting Standard (34) on the quality of accounting information. The goal of the research problem lies in the poor quality of accounting information provided by the bank, as the importance of this information is positively reflected in the reality of the bank in the market. To answer the questions, the researcher prepared a questionnaire of two dimensions to achieve the goal above. The first group of questions was formed on the importance of applying Standard 34 by the research sample, and the second group of questions focused on the importance of the availability of accounting information characteristics to enhance its quality in a way that achieves the desires of customers and the bank in these financial statements. This was done by distributing this questionnaire to several workers in the field of specialization in a sample of commercial banks listed in the Iraq Stock Exchange as (220) forms were distributed (210) of them were retrieved, (200) valid forms were analyzed for analysis, and (10) were excluded as they were not valid for statistical analysis. The statistical package program (SPSS V.27) was used to prove the validity of the research hypotheses. The research results indicated the positive impact of International Standard No. (34) in enhancing the quality of accounting information.

Keywords: International Accounting Standard No. (34) Interim Financial Reports, Quality of Accounting Information.

Introduction

The International Accounting Standard (IAS 34) serves as a guide in preparing interim financial reports, playing a crucial role in ensuring their transparency and reliability. It is considered necessary for them as it represents updating the financial data included in these reports, which contributes to these financial reports prepared in accordance with the aforementioned standard to transparency through the availability of qualitative and enhancing characteristics of the accounting information contained therein, which achieves its quality. The contribution of these reports in providing continuous follow-up of the company's business results and stating its financial position helps all users of these reports (Attar et al., 2024; Safori et al., 2024; Tahat et al., 2024). Hence, the research reviews the application of the International Accounting Standard (IAS 34) in the Iraqi

environment and examines its impact on the quality of accounting information, especially in an environment with seasonal economic fluctuations. This application has an impact on providing data that fairly expresses the financial position at the appropriate time. In light of the economic openness in Iraq after 2003 and what the global economic environment has come to after the tremendous development in specialized knowledge technology, companies have been obliged to keep pace with this development, especially after the trend of applying international standards by those companies. Based on keeping pace with international systems and Iraq adopting the application of international accounting standards and obligating their application in joint stock companies listed in the Iraq Stock Exchange, we seek to know the impact of applying Standard 34 and to deduce the direct impact by organizing a specialized questionnaire form distributed to categories of management and investors. The results of this research will directly enhance the shedding of light on the importance of applying the standard and show the extent of the importance that may contribute to making companies more responsible in adhering to the application and reflecting on the strength of the financial market.

The first section: Research methodology

First: Research problem

The research problem is that most business organizations need help with the quality of accounting information provided to stakeholders. The research problem is crystallized around the following question (To what extent does the application of International Accounting Standard No. (34) affect the quality of accounting information?) and the following questions arise from it:

1- To what extent do sample members perceive the research variables?

2- How does the International Accounting Standard (34) impact the quality of accounting information?

Second: Research objectives:

1- Develop a conceptual framework for International Standards (34) and the quality of accounting information.

2- Determine the levels of availability of variables in the research sample group.

3- Explain the impact of the International Accounting Standard (34) on the quality of accounting information.

4- Study the concept and importance of interim reports prepared by International Accounting Standard No. 34.

Third: The importance of the research:

The significant developments in the Iraqi business environment require increased interest in accounting and financial information through urging and awareness in applying an accurate standard to achieve this goal. Entering into this topic is very important by measuring the impact of International Accounting Standard 34 in enhancing the quality of accounting information. And the possibility of business organizations greatly benefiting from the research results in the field of specialization.

Fourth: Research hypotheses:

Based on the questions, the researcher adopted the following hypothesis:

(There is a significant impact of International Standard 34 on the quality of accounting information).

The following sub-hypotheses branched out from it:

1. International Standard (34) significantly impacts the essential characteristics of the quality of accounting information (adequacy and honest representation).

2. The international standard (34) significantly affects the secondary characteristics of the quality of accounting information (comparability, verifiability, timeliness).

Fifth: Research community and sample:

The research community is represented by workers in the field of accounting and auditing in a group of commercial banks listed on the Iraq Stock Exchange. (220) questionnaires were intentionally distributed, and (210) were retrieved. The number of questionnaires valid for analysis was (200) to achieve the research objective.

Sixth: Statistical methods

1- Alpha-Cronbach scale to measure reliability

2- (Kolmogorov-Smirnov) test to determine the extent to which the data is subject to normal distribution

3- Weighted arithmetic mean

4- Response intensity is extracted through (weighted arithmetic mean/5 * 100).

5- Standard deviation

6- Coefficient of variation

7- Simple correlation coefficient (Pearson).

8- Simple regression coefficient

9- Z and T-test to show the significance of the association and effect

10- R^2 determination coefficient to show the amount of effect explained by the independent variable

Section Two: Literature Review

First: Interim Financial Reports:

1- The Concept

There are many terms used for interim financial reports. Some call them periodic, as they are prepared in (periods), each of which is less than a fiscal year, and others call them periodic, as they are ready periodically during the fiscal year.

The International Accounting Standards Committee (IASC) defined interim financial reports through International Accounting Standard No. (34) as "financial reports containing either a complete or abbreviated set of financial data for a period of less than the full fiscal year for economic units, after the accounting standard left the matter of renewing the number of times they are submitted to the requirements of the laws and legislation of each country" (Al-Ubaidi, 2009: 27).

(Sayed and Marwa, 2011: 227) defined interim financial reports as "those prepared for periods less than the fiscal year, which often include the income statement, the balance sheet, and the cash flow statement.

International Accounting Standard No. (34) defined interim financial reports as "reports that contain a complete set of financial statements or a brief set of financial statements for an interim period, as the interim period was defined as the period for which the financial reports are prepared and covers a period less than a full fiscal year" (Goei, 2013; 10).

2- Objectives of interim financial reports:

Interim financial reports aim to improve the efficiency of the accounting system as they are prepared for several periods during the year. Accordingly, it can be said that interim financial reports seek to achieve the following objectives (Baakada, 2013: 27):

A. Providing information periodically to help its users evaluate performance and assess risks.

B. Providing information that helps users of financial reports predict and compare as the information presented through These reports is in a comparative and aggregated form.

C. Provide information to beneficiaries in a brief manner for consideration of appropriate timing.

D. Avoid deficiencies in reports prepared annually by providing information quickly.

3- Interim reports and International Accounting Standard No. 34 (Al-Dhahabi and Muhammad, 2017: 11-13):

A. Content of the interim financial report:

IAS 1 defines the complete set of financial statements as including the following components:

- Balance sheet

- Income statement showing either (all changes in equity or changes in equity other than those resulting from capital transactions with owners and distributions to owners

- Cash flow statement

- Financial policies and explanatory notes

- The economic entity either chooses or is required to provide less information at interim dates than in its annual financial statements, and IAS 34 does not require the economic entity to publish a complete set of financial statements (as described in IAS 1) in its interim financial report instead of condensed financial statements and selected explanatory notes.

B. Minimum components of the interim financial report:

The interim financial report must include, as a minimum, the following components:

- Condensed balance sheet

- Condensed income statement

- Condensed statement showing either

- All changes in equity

- Changes in equity other than those resulting from capital transactions with owners and distributions to owners

- Condensed cash flow statement

- Selected explanatory notes

T. Form and content of interim financial reports:
- If the economic unit issues a complete set of financial statements in the interim report (balance sheet, income statement, statement of changes in equity, statement of cash flows, accounting policies, and explanatory notes), these financial statements must comply with International Accounting Standard No. (1)

- If the economic unit chooses to prepare abbreviated financial statements, the interim financial report must include at least the following (Al-Khatib, 2009: 3):
- Abbreviated balance sheet
- Abbreviated income statement
- Abbreviated statement showing all changes in equity except capital transactions with owners and distributions to owners
- Abbreviated cash flow statement
- Abbreviated explanatory notes.
- If the economic unit publishes condensed interim financial reports, these reports must include, as a minimum, the headings and subtotals contained in the latest annual financial statements and explanatory notes as required by International Accounting Standard 34
- Basic earnings per share and condensed earnings per share must be presented in the income statement.
If the economic unit's annual financial statements are prepared using consolidated statements, then the interim financial report must be prepared using the same method.
D. Financial periods for which interim financial statements are prepared and presented:
Interim reports submitted by the economic unit, whether condensed or complete, must include the following components:
- A statement of financial position at the end of the interim period and a comparative statement of financial position at the end of the financial year immediately preceding the date of the financial period are subject to the report.
- Income statements for the current interim period and cumulatively for the current financial year to date, with comparative income statements for the comparative financial periods (current as well as the period to date) for the previous financial year.
- A statement showing cumulative changes in equity for the current financial period to date with a comparative statement for the comparative financial period of the year to date for the previous financial year immediately preceding the current year (Habes et al., 2022).
- A statement of comprehensive income for the current interim financial period and cumulatively for the current financial year to date with comprehensive income statements for the comparative financial periods of the previous financial year.
- A statement of cash flows cumulatively for the current financial year with a comparative statement from the previous period to the last year's date.
Second: Quality of accounting information:
1- The concept:
The concept of quality of accounting information means the credibility of this information and the benefit it achieves for users (Cheung et al., 2010: 1592) indicated that the quality of accounting information was defined as "the extent to which accounting information achieves its objectives, which can be measured by the availability of a set of qualitative characteristics that make it capable of meeting the requirements of stakeholders for accounting information to make the appropriate decision.

While (Aldegis, 2018: 72) defined it as "one of the company's three human, financial and informational resources. As for (Bossé & Rogova, 2019: 8), they defined the quality of accounting information as "the degree to which accounting information meets the needs of the user according to his requirements and needs.

2- Characteristics of the quality of accounting information:

(Muhammad, 2015: 154) Indicated that for information to be beneficial to its users, it must be of a certain quality and have qualitative characteristics of accounting information (Abu Bakr et al., 2017: 359) indicated that these characteristics are divided into primary and secondary, which must be characterized by useful accounting information, and that these characteristics constitute essential criteria for guidance in judging the efficiency and effectiveness of this information and its quality in achieving the desired goals.(Al Hadeed et al., 2024; Habes et al., 2024; Pasha et al., 2023; Tahat et al., 2023) The characteristics are :

A- The essential characteristics of accounting information are divided into:

Relevance: The information presented should be related to the decision that the user of the information will take and thus its impact on him through the user's evaluation of previous and current events and subsequent or correcting what was previously evaluated.

Honest representation: This characteristic indicates that the financial statements must honestly express the economic phenomena (referring to the events or transactions that affect the financial position of the entity) and this is necessary to make the information useful for the decision, and in order to honestly represent those phenomena, the accounting information must be integrated, neutral and free from material errors.

B- Secondary characteristics of accounting information and branch into:

Comparability: This characteristic enables those who use accounting information to identify the fundamental aspects of similarity and difference between the company's performance and the performance of other companies during a specific period and enables them to compare the performance of the same company between different periods.

Verifiability: This means that the results reached by a specific person using specific methods of measurement and disclosure can be reached by another person using the same methods, and this characteristic enables us to avoid bias related to the personality of the person performing it.

Appropriate timing: Information should be available to the decision-maker before it loses its ability to influence decisions, i.e., it should reach decision-makers when such information affects the decisions made without delay.

1- Evaluating the quality of accounting information:

Accounting literature has indicated that there are two ways to evaluate the quality of accounting information: the first is the usefulness of evaluation, and the second is the validity of contracts. Accordingly, there are two essential functions of accounting information: (Zuo & Lin, 2022: 2-3).

A- The pricing function of accounting information: The quality of accounting information plays a role in determining the cost of capital and stock prices, as it works to reduce information asymmetry, which reduces the cost of external financing.

B- The governance function of accounting information (Alhawamdeh et al., 2020; Habes et al., 2023): There is a significant role for high-quality accounting information in determining the contracting mechanism by reducing uncertainty between the contracting parties, as the quality of accounting information works to minimize defects in the contracts concluded and limit the opportunistic behavior of management and control over it, which facilitates the process of concluding contracts and reduces the problem of adverse selection by allowing the contracting parties to access information at a lower cost and thus contribute to concluding contracts at a lower price.

The Third Section: The Applied Aspect of The Research:

First requirement: Testing the measurement tool:

First: Testing the structural stability of the measurement tool:

The reliability and stability test is one of the most important tests that must be adopted for a specific scale to gain the appropriate validity. It means that the scale is reliable and measures the theoretical structures for which it was designed. The Cronbach alpha scale is one of the essential scales used to calculate the stability of the questionnaire and the most famous and shared among researchers in various fields of scientific research (Sekrana, 2003: 311), as (Sharma, 2016: 273) indicated how to interpret the Cronbach alpha values to evaluate the stability achieved in a specific application environment, as shown in Table (1).

Table (1): *Levels of stability according to the Cronbach alpha value*

1.	Excellent	$\alpha \geq 0.9$
2.	Good	$< 0.9\alpha \geq 0.8$
3.	Acceptable	$< 0.8\alpha \geq 0.7$
4.	Doubtful	$< 0.7\alpha \geq 0.6$
5.	Weak	$< 0.6\alpha \geq 0.5$
6.	Unacceptable	$< 0.5\alpha$

Source: Sharma, B. (2016). **A focus on reliability in developmental research through Cronbach's Alpha among medical, dental and paramedical professionals**. Asian Pacific Journal of Health Sciences, 3(4), P. 273.

Table (2) shows the Cronbach's alpha coefficient values for the questionnaire items according to the sample members' answers. Table (2) Stability coefficient values for the research variables.

Cronbach's Alpha For scale	Cronbach's Alpha	Variables and their Dimensions	
0.869	0.837	International Accounting Standard No. (34)	Independent Variable
	0.790	Relevance	Primary Characteristics
	0.771	Faithful representation	
	0.792	Comparability	Secondary Characteristics
	0.760	Verifiability	
	0.736	Timeliness	
	0.835	Quality of accounting information	Primary Characteristics

Source: SPSS V.26 program outputs

It is clear from Table (2) that all values of the validity and reliability coefficients for the research variables in their dimensions are within the statistically acceptable limits, which means that the scale used to measure the research paragraphs enjoys high stability, which enables the researcher to rely on the results that will be obtained to make a sound decision.

Second: Testing the normal distribution of data

After the researcher has confirmed the data collection tool after subjecting it to a stability test, and because testing hypotheses in the current research depends on parametric statistics, which is based on a basic assumption that the data subject to analysis must be normally distributed, and if parametric methods are adopted for data that are not subject to normal distribution, then the results obtained from those tests cannot be trusted (Field, 2009: 132).

Although statisticians indicate that if the researcher uses a large sample compared to the research community, there is no need to worry about the normal distribution of the data (Field, 2009: 329), the researcher, to ensure the accuracy of the research results, subjected the data obtained from the questionnaire to one of the most critical tests for the normal distribution of data, which is the (Kolmogorov-Smirnov) test, which indicates that if the sample size is more significant than (35) individuals, the test value can be calculated through the following law (Copper & Schindler, 2014: 623).

$$D = \frac{1.22}{\sqrt{n}}$$

Where n represents the sample size here, and since the size of the research sample is (200) individuals, the standard (D) value will be (0.09). Suppose the value of the (Kolmogorov-Smirnov) statistic is more excellent than or close to the standard (D) value at a significance level of (1%). In that case, the data is usually distributed at the mentioned level, and thus, parametric statistical analysis tools can be used, and the results can be reassured. The researcher will use non-parametric analysis tools if the data are not subject to normal distribution. Table (3) shows the results of the normal distribution of the research variables and their types. Table (3) Testing the normal distribution of research variables.

Comparison	Standard D Value	Kolmogorov-Smirnov	Variables and their Dimensions	
Calculated is greater than the standard	0.09	0.21	International Accounting Standard No. (34)	Independent Variable
Calculated is greater than the standard	0.09	0.15	Relevance	Primary Characteristics
Calculated is greater than the standard	0.09	0.18	Faithful representation	
Calculated is greater than the standard	0.09	0.19	Comparability	Secondary Characteristics
Calculated is greater than the standard	0.09	0.17	Verifiability	
Calculated is greater than the standard	0.09	0.16	Timeliness	
Calculated is greater than the standard	0.09	0.22	Quality of accounting information	Primary Characteristics

Source: SPSS V.26 program outputs

Table (3) clearly shows that the data for the research variables at the sub- or overall level are subject to normal distribution, which makes them eligible for parametric analysis tools.

The second requirement is: Description and diagnosis of the research variables:

This paragraph aims to display, analyze, and interpret the results of the answers of the research sample individuals regarding the paragraphs included in the questionnaire form by reviewing the values of the weighted arithmetic means, response intensity, standard deviations, and coefficients of variation for each section of the research variables.

The research determined the level of answers in light of the arithmetic averages by determining their affiliation to any category, and because the research form relies on a five-point Likert scale (strongly agree - strongly disagree), there are five categories to which the arithmetic averages belong, and the category is determined by finding the length of the range (5-1 = 4), and then dividing the range by the number of categories (5) (4÷5 = 0.80). After that, (0.80) is added to the lower limit of the scale (1) or subtracted from the upper limit of the scale (5). The categories are shown in Table (4):

Table (4): Weighted arithmetic means and their response levels	
Answer level	Weighted Average
Very low	1 to 1.80
Low	1.81 to 2.60
Moderate	2.61 to 3.40
High	3.41 to 4.20
Very high	4.21 to 5

Source: Dewberry, Chris, (2004). Statistical Methods for Organizational Research: Theory and Practice. First published, Published in the Taylor & Franci, p15.

Table (5): shows the values of the weighted arithmetic means, the values of the response intensity, and the values of the calculated standard deviations, whether at the partial or total level, for the research variables and their dimensions.

Table (5): *Descriptive statistics for the research variables and their dimensions n=200*

Answer intensity %	Standard deviation	Weighted arithmetic mean	Variables and their dimensions	
64	1.22	3.19	International Accounting Standard No. (34)	Independent Variable
65	0.94	3.26	Relevance	Basic Properties
66	1.31	3.30	Faithful representation	
63	1.26	3.16	Comparability	Basic Properties
68	1.19	3.40	Verifiability	
62	1.21	3.10	Timing	

Source: (SPSS V.26) and Microsoft Excel 2010 program outputs

1- Independent variable (International Accounting Standard No. (34):

The International Accounting Standard No. (34) variable achieved a weighted arithmetic mean of (3.19), meaning that it falls within the category of (moderate). At the same time, the response intensity value was (64%), the standard deviation value was (1.22), and the coefficient of variation percentage was (38.40%).

2- Dependent variable (quality of accounting information):

A- Basic characteristics of the quality of accounting information:

Appropriateness: The dimension achieved a weighted arithmetic mean of (3.26), meaning that it falls within the category of (moderate), while the response intensity value was (65%), and the standard deviation value was (0.94). From the above, it is clear that the dimension is available in the research sample organization.

Honest representation: The dimension achieved a weighted arithmetic mean of (3.30), meaning that it falls within the category of (moderate), while the response intensity reached (66%), while the standard deviation value was (1.31), from the above it is clear that the dimension is available in the research sample organization.

B- Secondary characteristics of the quality of accounting information:

Comparability: The dimension achieved a weighted arithmetic mean of (3.16), meaning that it falls within the category of (moderate), while the response intensity reached (63%), while the standard deviation value was (1.26), from the above it is clear that the dimension is available in the research sample organization.

Verifiability: The dimension achieved a weighted arithmetic mean of (3.40), meaning that it falls within the category of (high), while the response intensity reached (68%), while the standard deviation value was (1.19), from the above it is clear that the dimension is available in the research sample organization.

Appropriate timing: The dimension achieved a weighted arithmetic mean of (3.10), meaning that it falls within the category of (moderate), while the response intensity was (62%), while the standard deviation value was (1.21), from the above, it is clear that the dimension is available in the research sample organization.

Third requirement: Testing the hypotheses of influence between the research variables:

It aims to test the influence relationships between the research variables, as the influence relationships will be tested at the level of the sub-hypotheses that emerged from the main hypotheses using the regression coefficient.

Testing the central hypothesis related to the influence relationship between International Accounting Standard No. (34) and the quality of accounting information:

(There is a significant effect of International Standard 34 on the quality of accounting information). The following sub-hypotheses branched out from it:

1. The International Standard (34) significantly affects the essential characteristics of the quality of accounting information (appropriateness and honest representation).

2. The International Standard (34) significantly affects the secondary characteristics of the quality of accounting information (comparability, verifiability, timeliness).

To prove the validity of the main hypothesis, the simple linear regression method was used, and the relationship between the research variables was estimated. Table (6) shows the results of the regression.

Table (6) Estimating the simple linear regression relationship between International Accounting Standard No. (34) and the quality of accounting information

						Quality of Accounting Information
Sig.	(F)	Sig.	(T)	(R^2)	(β)	**Dependent Variable** **Independent Variable**
0.000	7.66	0.000	2.77	0.22	0.46	**International Accounting Standard No. (34)**

Source: (SPSS V.26) program outputs

It is clear from the results of Table (6) that the regression coefficient of the variable International Accounting Standard No. (34) on the quality of accounting information was (0.46), which means that if International Accounting Standard No. (34) changes by one unit, the quality of accounting information will increase by (46%), noting that the effect is significant because the calculated (t)

value of (2.77) is significant at the (0.000) level. It is also noted that International Accounting Standard No. (34) explains (22%) of the changes in the quality of accounting information, while the remaining percentage (78%) is due to other variables outside the current research model. Note that the estimated model is significant overall because the calculated (f) value is more excellent, amounting to (7.66), which is a significant value at the (0.000) level.

Accordingly, and based on the above, the central hypothesis is accepted, which states (there is a significant effect of international standards (34) on the quality of accounting information).

To prove the validity of the sub-hypotheses related to the basic characteristics of the quality of accounting information systems, the simple linear regression method was used, and the relationship between the research variables was estimated. Table (7) shows the results of the regression.

Table (7) Estimating the simple linear regression relationship between international accounting standard No. (34) and the essential characteristics of the quality of accounting information.

International Accounting Standard No. (34)						
Sig	)F(	Sig.	) T(	) R^2(	(β)	Dependent Variable Independent Variable
0.000	9.24	0.000	2.76	0.11	0.34	Suitability
0.000	13.07	0.000	3.62	0.32	0.56	Honest Representation

Source: *(SPSS V.26) program outputs*

First sub-hypothesis: There is a significant effect of international standard No. (34) on the fit.
It is clear from Table (7) that the regression coefficient reached (0.34) and that it is significant because the calculated (t) value of (2.76) is a substantial value at the (0.000) level. The value of the coefficient of determination (R2) reached about (0.11), which means that the standard explains (11%) of the changes that occur in the fit. In comparison, the remaining percentage (89%) is due to other factors not included in the current model. We find that the calculated (F) value of (9.24) is a significant value at the (0.000) level, and accordingly, we note that the estimated model is substantial overall.

The second sub-hypothesis: There is a significant effect of international standard No. (34) on honest representation. Table (7) shows that the regression coefficient reached (0.56), and the effect was significant because the calculated (t) value of (3.62) is a substantial value at the (0.000) level. The value of the coefficient of determination (R2) was about (0.32), which means that the standard explains (32%) of the changes that occur in honest representation. In comparison, the remaining percentage (68%) is due to other factors not included in the current model. We also find that the calculated (F) value of (13.07) is a significant value at the (0.000) level. Accordingly, the estimated model is generally substantial.

To prove the validity of the sub-hypotheses related to the secondary characteristics of the quality of accounting information systems, the simple linear regression method was used, and the relationship between the research variables was estimated. Table (8) shows the regression results. Table (8) Estimating the simple linear regression relationship between International Accounting Standard No. (34) and secondary characteristics of the quality of accounting information.

International Accounting Standard No. (34)						Independent Variable
Sig.	)F(	Sig.	)T(	)R^2(	(β)	Dimensions of the Dependent Variable
0.000	24.27	0.000	4.93	0.46	0.68	Comparability
0.000	22.32	0.000	4.72	0.44	0.67	Verifiability

Source: (SPSS V.26) program outputs

First sub-hypothesis: There is a significant effect of the international standard (34) on comparability.

It is clear from Table (8) that the regression coefficient reached (0.68) and that the effect was significant because the calculated (t) value of (4.93) is a substantial value at the (0.000) level. The value of the coefficient of determination (R2) was about (0.46), which means that the standard explains (46%) of the changes that occur in comparability. In comparison, the remaining percentage (54%) is due to other factors not included in the current model. We find that the calculated (F) value of (24.27) is a significant value at the (0.000) level, and accordingly, we note that the estimated model is substantial overall.

The second sub-hypothesis: There is a significant effect of the international standard (34) on verifiability.

It is clear from Table (8) that the regression coefficient was (0.67) and that the effect was significant because the calculated (t) value of (5.61) is a substantial value at the (0.000) level. The value of the coefficient of determination (R2) was about (0.44), which means that the standard explains (44%) of the changes that occur in verifiability. In comparison, the remaining percentage (56%) is due to other factors not included in the current model. We find that the calculated (F) value of (22.32) is a significant value at the (0.000) level, and accordingly, we note that the estimated model is substantial overall. The third sub-hypothesis: The international standard (34) has a significant effect on the appropriate timing. Table (8) shows that the regression coefficient reached (0.59) and that the effect was important because the calculated (t) value of (3.86) is a substantial value at the (0.000) level. The value of the coefficient of determination (R2) was about

(0.35), which means that the standard explains (45%) of the changes that occur at the appropriate time.

In comparison, the remaining percentage of (65%) is due to other factors not included in the current model. We find that the calculated (F) value of (14.91) is a significant value at the (0.000) level, and accordingly, we note that the estimated model is substantial overall.

Discussion: The application of international standards by banks listed in the Iraq Stock Exchange is in its early stages, so these banks must apply these standards, mainly Standard 34, because of its positive effects on accounting information and its quality, which in turn is reflected in the preparation of interim financial reports by the Accounting Standards and Rules Board in Iraq to determine the general framework for developing these reports. The Iraq Stock Exchange should follow up on the extent of banks' commitment in general and in particular to preparing interim financial reports, spreading awareness among users of these reports, and educating them about the importance of these reports in achieving quality accounting information.

Conclusions:

1- It is necessary to use the research sample bank for the standard because of its positive effects on accounting information and quality.

2- International Accounting Standard (34) aims to enhance the primary and secondary characteristics available in accounting information to achieve quality.

3- The goal of preparing interim financial reports is to provide financial information for a specific period (quarterly or semi-annually).

4- The absence of local accounting standards that determine the general framework and requirements for preparing these reports.

5- The research sample members are interested in the variables as they are modern variables and keep pace with development and modernity.

6- The statistical analysis showed that the International Accounting Standard (34) has a positive impact on the quality of accounting information.

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