



The Role of Internal Audit Practices in Improving The Quality of Financial Reporting for Commercial Companies A Sample of Iraqi Commercial Banks

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Abstract. *The research aims to explain the role of internal audit standards in improving the quality of financial reporting for the financial reports of the banks in the research sample. Accordingly, the deductive approach was followed for the theoretical side and the inductive approach for the practical side by employing standards for internal audit standards and their role in achieving quality in financial reporting for the financial reports of the banks in the research sample. The most important conclusions were that standards standards Internal auditing has a role in achieving and improving the quality of financial reporting for the Bank of Sumer first, then the Iraqi Gulf Bank secondly, and the Assyria Bank last. The most important recommendations were to document and confirm the application of the internal audit standards for the Bank of Assyria first and the Iraqi Gulf Bank secondly by virtue of the assessments of appropriateness standards, honest representation and the appropriate timing for presenting the financial statements within Bankers' reports.*

Keywords: *Internal Audit, Internal Audit Standards, Quality Of Financial Reporting, Financial Reports*

1. INTRODUCTION

The beginning of the twenty-first century witnessed a noticeable increase in the importance of tightening the internal control system, coinciding with the emergence of governance concepts And its applications Tightening accountability for the auditor, This is due to several factors Including financial scandals, as the financial scandals of major companies highlighted the need for more effective internal auditing standards to prevent fraud and misconduct. Governance concepts also emphasize the importance of transparency and accountability Which led to an increased focus on the role of internal audit in ensuring the accuracy of financial statements. On the other hand, globalization and technological developments led to an increase in the complexity of the business environment. , which increases the risks of fraud and misconduct And thus the need for me increased Own practices and Internal audit standards Efficient.

Internal audit plays an important role in enhancing the quality of financial reporting by ensuring the accuracy of financial statements. Internal audit helps ensure the accuracy and reliability of financial statements by identifying, evaluating, and controlling risks. Internal audit also ensures the facility's adherence to accounting and financial reporting standards, which enhances users' confidence in the information. It also helps internal audit detect cases

of fraud and misconduct early, thus limiting their impact on the facility. The first section - research methodology and previous studies:

Search problem:

The problem of the research lies in the necessity of providing internal and external beneficiary parties with high-quality data of suitability, credibility, reliability, and in a timely manner to make sound and reliable decisions. This is revealed when commercial banks apply internal auditing standards procedures with high professionalism and their practices lead to achieving the provision of high-quality data in financial reporting of financial reports.

“Therefore, the researcher’s question lies: Do internal audit standards have a role in achieving quality financial reporting for the financial reports of the research sample?”

The importance of research:

Businesses are an important driver of the economy Its role becomes more important as the volume of investments increaseswhereIt depends on any economic facility On the quality of financial reporting to make sound strategic decisions, facing companies Commercial Fundamental challenges in maintaining the quality of financial reporting, especially with weak...Internal audit practices include:These challenges mismanagement and abusesBecause of practiceSome departments have unethical behavior Such as manipulating financial data to achieve personal goals or speculate with investors.

On the other hand, the decisions of internal and external beneficiaries and investors taken according to the market and the success of their investments depend on the data of commercial banks and the quality of financial reporting of that data and the degree of its impact on decision makers, in that commercial companies that are characterized by the quality of their financial data and the quality of distinguished financial reporting processes will affect the quality of their decisions and influence on their investments, and this benefits the individual and society, anl Audit legislation and Ensure the application of BFA internal audit standards perhaps Yes And achievequalityforFinancial reporting.

Research objectives:

The research aims to explain the role of internal audit standards in achieving high quality financial reporting for the financial reports of the Bank (Assyria - Iraqi Gulf - Sumer) by presenting variables that address the theoretical foundation of internal audit standards and the quality of financial reporting.

Research hypothesis: The research methodology and scientific theories are based on the following hypothesis:

“Internal auditing standards play an important role in achieving quality financial reporting.”

The second axis - previous studies:

I covered a study he conducted Clement Opponget al (2023) evaluation bezel impact Governance Companies As a worker amendment on Relationship between Mechanisms Internal audit and financial reporting. Adopted the study on poll wave To collect Data from 250 Director higher in Banks Rural In the capital Ghanaian. It was completed procedure Tests alpha Cronbach And Fornell-Laker To evaluate Reliability And he believed Data used. as used the study model Equations Structure Structural using Squares least Partial (PLS-SEM) To analyze Data, showed Results that both From internal audit and governance Companies For them impact direct And positive Dhu indication Statistics on Financial reporting. Bonus on that, The interaction Internal audit Companies for him also impact positive And important on Performance Financial, Than Confirms role Companies in Relationship between Mechanisms Internal audit and financial reporting.

I had study He conducted it (2022) Asserted Abisola et.al role efficiency Internal audit practices in Enhance Relationship between size Bank And his performance Financial. Show analysis Data that Indicators size Bank (number employees, Deposits customers, total Assets) she has impact cumulative on assets, Than affects on Financial reporting. as showed the study that efficiency system Internal audit enhances from impact size Bank on Financial reporting. In addition to that, She got up This is amazing the study In summary Relationship between total number Staff And deposits Customers As Indicators For size Bank And its impact Subscriber on Performance Financial, as I confirmed on role efficiency system Internal audit in Enhance Relationship between size Bank and financial reporting. Asserted Abisola et al, (2022). And in study Other, Confirm Atheruet al (2022) on role Internal audit standards in limit from Abuse Use Money And achieve performance financial positive. She pointed out the study to that non efficiency Systems Internal auditing is weak Lead internal audit procedures to collusion Management And review external, Than hinder investigation Institutions For its goals. as I treated the study condition a company Athero To save And credit Which Suffer from weakness big in internal audit finance, Than Addy to continuation Lending sums excel Deposits And he what a reason Turn crisis liquidity. I aimed This is amazing the study to knowledge impact Systems Internal audit on performance Associations Cooperative To save and credit, where I focused on role environment Monitoring And

organize Internal audit in Financial reporting for this Associations. She confirmed the study on importance system Internal audit in Enhance Performance Financial, And I finished to that Systems Effective internal audit she that Be encouraged Staff on following integrity Financial high, with Taking With an eye Consideration Value Enough Finance And commitment With etiquette professional, In addition to necessity Enjoy all staff in Companies And associations Efficiently High And ability on Enhance yield And procedure Operations In a way appropriate According For systems Internal audit. Atheru et al.,2022).

The second topic - the conceptual framework for internal auditing and the quality of financial reporting:

The theoretical foundation of the concept of internal audit:

History of the development of the concept and processes of internal auditing: Shahad The concept of internal audit has evolved on bitter The years, mirror in tariff Official from before Institute American For reviewers Internals:(Saeed, 2007: 76).

1964: "review For business and records, Done inside Foundation As ongoing sometimes, and by employees Specialists For this purpose, It varies range And goals Internal audit is different size institutions, And it expands in Institutions The big one to Things Multiple no Related directly In the areas Finance"

In 1978, it was also known as "job calendar Independent Done Create it inside Foundation To check And calendar its activities different, And aims to help Members organization in to implement Their responsibilities Effectively, And that By providing them With data And information Analytical And in practice For studies, And submit Advice And recommendations The occasion In the process of Activities that Done Audit it "

As for 1992 "Internal audit activity qualitative And a consultant And objective independent inside Foundation designer To check And improvement completion This is amazing goals, from during Verification from following Policies And plans And procedures The subject, And a suggestion For improvements Necessary Enter it until arrive to degree Enough yield Maximum".

The essence of the definition of internal audit: analysis development identification Auditing internal, maybe extraction jewel as follows:

- job Independent: Enjoy Internal audit as much from Independence on Management executive, Than Allows for him By practicing His tasks Neutral And objectivity.
- calendar comprehensive: Covers Internal audit is different Aspects a job institution, With what in that Operations Finance And operational And administrative.

- to support completion Objectives:aims Internal audit to help Foundation on investigation Its objectives from during evaluation effectiveness Its practices And submit Recommendations To improve it.
- the focus on Optimization:no Limited Internal audit on discovery violations, but rather Focus also on suggestion Solutions To improve Performance.

Structure International internal audit standards:

Split Standards International internal audit Outgoing on Institute American For reviewers Internals(IIA)to Two parts Two main ones:(Hadbi, Zidane,2018: 47).

Standards Public:

Determine This is amazing Standards Requirements Basic To one side or person He rises With deeds Auditing internal, Include:

- Standard1000:Purpose from Auditing internal, Authority And responsibility:It is clear this Standard Purpose from Auditing internal, And he presentation confirmation The Independent And objective around Governance Foundation And management Risks And effectiveness Systems Censorship Interior.as He specifies this Standard authority And responsibility job Internal audit.
- Standard 1100:Independence And objectivity Confirms on necessity independence job Internal audit for Management Executive And operations that submit To check, And that To guarantee neutrality And objectivity results Auditing.
- Standard1200:Skill And care Professional Necessary:It is necessary this Standard Owners job Internal Audit Owned Skills And efficiency Professional Necessary to perform Their tasks Effectively.
- Standard1300:program to be sure And improvement Quality:oblige this Standard With existence program To guarantee quality Practices Auditing internal, With what in that evaluation effectiveness job Internal audit in a way periodic Kabas,et.al.,2022: 85).

Standards Performance:

Focus This is amazing Standards on nature a job Internal audit is determined features maybe from During it Judgment on quality performance Tasks audit, Include:

- Standard2000:administration activity Internal audit:He specifies this Standard requirements administration job Internal audit in a way effective, With what in that Planning And organization and resources And censorship on Quality.

- Standard 2100:nature the job:He specifies range a job Internal audit to include Fields Governance And management Risks And censorship Interior.
- Standard2200 :planning Tasks Internal audit:He specifies steps planning Tasks Internal audit in a way systematic, With what in that to set Objectives And the risks And scope the job And a program Implementation.
- Standard2300:to implement Tasks Internal audit:He specifies steps to implement Tasks Internal audit in a way effective, With what in that collection Information And analyze it And evaluation Risks And documentation Results.
- Standard2400:Report Results - He specifies How Report results Internal audit to Entities concerned, With what in that Management Supreme And a council Management.
- Standard2500:monitoring progress the job:obliges By monitoring progress Tasks Internal audit in a way continuous To guarantee Commitment By standards Professional.
- Standard2600:Resolve issue acceptance Management Supreme for risks:He specifies How Dealing with Cases of non-existence acceptance Management Supreme for risks that It was completed Define it from during Tasks Internal audit.

Internal audit is a tool vitality To enhance Governance Al-Rashida And censorship Interior in Institutions He is Helps on a guarantee following Policies And procedures Subject And improvement efficiency operations, And reduce risks, And achieve Objectives desired(2021:8) Alsalmanni,et. Al.).

Second - The concept of financial reporting and the quality of financial reports:

Concept Reporting Financial:

- Al-Amiri(2014):See that Reporting Financial term synonym To disclose Accountant, where aims to presentation Reports Finance Public And meet needs Beneficiaries from Information Accounting.
- Mohammed(2016):It is considered Reporting Financial to equip Information Accounting Self Interest For beneficiaries like Lenders And investors To rationalize Their decisions Financing And investment And appreciation size And timing Flows Cash expected, And possibility success, A restriction Cost And the benefit.
- The carpenter(2021):Knows Reporting Financial on that it system Integrated To report on all Elements system Information Accounting Self interest, And that from during acting Goals Reporting Financial For frames Intellectual Accounting And methods Measurement And he founded disclosure, In addition to Mechanisms organization Accountant And preparation Lists Finance.

He agrees Researchers on that Reporting Financial he system Integrated For information Accounting aims to numbers Reports Financial around Activities Unity economic, And that from Okay receipt image Clear And other Biased For all Beneficiaries To rationalize Decisions Strategy And reduce condition non Make sure I have Lenders And investors. And it is done that from during to organize Information Accounting according to Standards International from Okay Analyze it And discuss it In a way suitable And reliable.

Goals Reporting Financial:

Select council Standards Accounting Finance(FASB)Goals Reporting Financial Home As follows (Al-Mazouri And dendritic,2010):

- to provide Information Accounting Helpful to take Decisions credit And investment:To help Lenders And investors Current ones And the futurists in rationalization Their decisions And reduce Their risks.
- to provide Information Accounting Self Interest To analyze Flows Cash current:With a purpose Enhance Flows Cash Futurism And improvement Its timing.
- to provide Information Accounting Helpful For investors To know Center Financial For the unit Economic:
 - Its ability on investigation Profits.
 - rationalization decision Investment.
 - to set Prices Stocks in Markets Finance. (Spiceland et al.,2013)

Goals Other To report Financial:

- to provide Information Accounting Helpful around Units Economic:To help Owners head the money in rationalization Their decisions. (Spiceland et al.,2013)
- to provide Information Accounting Helpful For the destinations External Self Relevance Actively Unity Economic:Like directions Supervisory And governmental. (Spiceland et al.,2013)
- to provide Information Accounting Helpful on resources And commitments Unity Economic:
- to set points power And weakness For the unit Economic. (Spiceland et al.,2013)
- to provide Information Accounting Self Interest For parties concerned in evaluation performance Units Economic:
- Prediction With its performance Futurist.

- to improve Operations Futurism.
- Avoid mistakes Events past. ([Stice et al.,2013])
- to provide Information Accounting Helpful For beneficiaries Externals:
- evaluation Timings Flows Dakhla And the outside For the unit Economic.
(Benston et al., 2007)

Aims Reporting Financial to to provide information Accounting Useful For management And friends Interest To rationalize Decisions Finance And improvement Center Financial For the unit Economic.as He provides information Financial For the destinations External To understand them Activities Unity Economic In a way better And take decisions credit or Investment Rashida.

Concept quality Reporting Financial:

Are related quality Reporting Financial In a way direct With quality Information accounting, Which Distinguished With a group from Characteristics that You make it information Financial Useful Self quality high, And contribute in help Beneficiaries on rationalization Their decisions (Thebet, 2013)

Dimensions quality Reporting Financial:

- quality Reporting Financial Includes three Dimensions:Excellence in Auditing Financial, And quality profits, And quality Reporting Financial.
- Cheung et al. (2010):They consider that the goal Main To hire Quality in Literature Accounting he quality Reporting Financial.

Definitions quality Reporting Financial:

- union locals Millions(FAF):Clarity And transparency And availability Information Accounting in Timing appropriate.
- Institute American For accountants Legalists(AICPA):bezel ability on Use Information Accounting in area Prediction And how much suitability Information Accounting For the target from Get On her([Hamada,2014]).
- Richardson et al. (2005):Empty Information Accounting used in Reporting Financial from Error And bias And its description genuinely representation To center Unity Economic Financial.
- Verdi (2009):accuracy receipt Information Accounting Helpful For beneficiaries, Especially Flows Cash potential, And rationalization decisions Lenders And investors.

See Researchers that quality Reporting Financial she delivery Information Finance Helpful And self Quality to all Parties according to Lists Financial uniform, from Okay:

- rationalization Their decisions.
- limit from Risks Credit And investment.
- show image Clear For the center Financial For the unit Economic.
- Don any prejudice For any One side.

The third topic - The impact of evaluating internal audit performance on the quality of financial reporting:

The first axis - an overview of the sample of commercial banks:

A sample of commercial banks within the banking sector was selected and their data from the Iraqi Stock Exchange was used, as it is one of the most important economic sectors due to its sustainable banking and financial activities, and to evaluate their performance and indicate the extent of their application of internal auditing standards and their impact on the quality of financial reporting for the financial reports prepared by the banks in the research sample. Auditing standards were employed within a matrix to measure the performance of the banks in the research sample, and Table (1) shows information about each commercial bank within the research sample in terms of capital and the date of its establishment and listing in the Iraqi Stock Exchange:

Table 1: A brief overview of commercial banks

2022	2021	2020	Metrics	Standards	Distance
1	1	1	The extent of growth in the number of employees in the Internal Audit Department	Standard 1110	After the personal factor
1	0	0	The availability of employees with accounting specialization = Skill standard 1210	Skill standard 1210	
1	1	0	The availability of employees with academic qualifications higher than diploma qualifications	Skill standard 1210	
1	0	1	The extent of growth in the number of employees with advanced degrees	Professional skills development standard 1230	
1	1	0	Availability of employees with experience of more than (5) years	Skill standard 1210	2.After personal relationships
1	0	0	The extent of growth in the amounts spent on employee service	Standard for resource management by top management 2030	
1	0	1	The extent to which there is growth in the amounts of incentive bonuses and incentives	2030 standard	
1	0	1	Availability of new appointments	Standard 2020 Notification and Consent	
0	1	0	The extent to which operations that have a social or environmental impact are carried out by the internal auditor	Individual services 1120 and general opinions 2450	After internal audits
0	1	0	The extent to which site inspection visits are achieved	Comparing it with the scheduled number of site inspection visits	
1	0	0	The availability of completion versus planning the audit process	Planning for the internal audit function 2020	
0	0	0	The availability of the percentage of reports issued annually	Reporting to senior management 2060	
1	0	1	The availability of the percentage of errors discovered by the internal auditor	Comparing the number of errors detected with the total number of transactions audited	4.Organizational dimension
1	1	1	The availability of the average time for completing the task/activity audit	Delivery results 2400 and delivery quality 2420	
1	1	0	The extent of growth in the reports issued by internal audit	Comparing the number of reports for the current year with the previous year and its percentage to the previous year	
1	0	1	The extent of the availability of participants in training courses; the extent of the growth in training and qualification expenses, the extent of the availability of qualified employees in using the computer	Continuing vocational training 1230	
1	1	0	The extent of availability of spending on adopting technology	Increase the funds spent on the current comparison with the previous year and the percentage of the difference to the funds spent on training for the current year	the total
0	1	0	The extent to which audit recommendations are implemented	Comparing the number of recommendations implemented with the proposed number of recommendations submitted	
14	9	7	15 scales	15 standard	Percentage
77.77%	58.33%	50.00%	100%	100%	

Table 2 measuring the extent of application of internal auditing standards for Bank of Assyria

Capital	Capital upon incorporation	Listing it on the market	Founding date	The bank
250,000,000,000	25,000,000,000	2007	1999	Assyria International
250,000,000,000	150,000,000	2004	1999	Iraqi Gulf
250,000,000,000	400,000,000	2004	1999	Sumer Commercial

The second axis - measuring the extent of application of internal auditing standards:

First - Measuring the extent of application of internal audit standards: Internal audit performance is measured by employing a set of internal audit standards, where 1 will be coded for the applied standard and 0 for the non-applied standard by each Iraqi commercial bank as in the following table:

We note from Table (2) the application of the internal audit standards of the Adahina Research Bank for the years 2020, 2021, and 2022. It was found that the highest percentage of achieving those standards was in the year 2022, and the reason is the banks' commitment to following and applying internal audit standards in accordance with what is consistent with achieving quality in financial reporting, and we will prove that. One of the indicators of financial reporting standards.

Second - Measuring the quality of financial reporting: The quality of financial reporting is measured according to the principle of suitability, where the suitability measure confirms that the closer it is to zero, the stronger the suitability, as shown below in Table (2).

Measuring the quality of reporting to Assyria Bank according to the principle of appropriateness:

Table 3 Measuring the quality of reporting for Assyria Bank according to the principle of appropriateness

Suitability	Book value	Cash flows	Operating profits	years
0.06875	1.2625	0.05711542	0.07370788	2020
0.1125	1.325	0.0674909	0.0674909	2021
0.19875	1.3375	0.00049436875	0.02367643	2022
0.12666	1.308333	0.041700229	0.054958403	Overall average

Table 3 shows the range quality Reporting Financial For a bank Assyria International According For scale Principle of suitability And she points The results were that it was appropriate Strong so He was Average Total By an amount 0.12666 And he reached higher gauge For convenience For a bank Assyria International (0.19875) in year 2022 , And lower gauge For convenience He was in year 2020 Where he reached 0.06875 which is less from

Average Much It means that Suitability greater in this Sunnah, Note that it I mentioned previously that Output whenever Come closer to Zero He is An indicator to presence suitability Strong.

Table 4 Measuring the quality of reporting to Gulf Bank according to the principle of appropriateness:

Suitability	Book value	Cash flows	Operating profits	years
0.21	1.3375	0.1753	0.0588875	2020
0.03875	1.3375	0.5549125	0.017625	2021
0.26125	1.3125	0.0075375	0.0024625	2022
0.17	4.0125	0.2459166	0.026325	Overall average

Table 4 shows the quality of Ashur International Bank's financial reporting according to the suitability principle scale and The results indicate to that principle Suitability appeared Strong so She was Average Total By an amount (0.17) And he reached higher middle Scale suitability For a bank Gulf Commercial (0.21) is in year 2020 I mean that there suitability less, And as He was minimum middle For scale Suitability He was in year 2021 And the adult (0.03875) any less from Amount Average Much It means that Suitability greater in this Sunnah, Note that I mentioned previously that Output whenever Come closer to Zero He is An indicator to presence suitability Strong.

Table 5 Measuring the quality of reporting to Sumer Bank according to the principle of appropriateness:

Suitability	Book value	Cash flows	Operating profits	years
0.63875	1.3375	1.569075	1.518275	2020
0.63875	1.3375	0.0002375	2.0032625	2021
0.615	1.3375	0.0002125	0.0045625	2022
0.63083	4.0125	0.523175	1.1735666	Overall average

Table 5 shows the quality of Ashur International Bank's financial reporting according to the suitability principle scale and she points Results to that principle Suitability appeared Strong so He was Average Total By an amount (0.63083) And he reached higher middle For scale suitability For a bank Sumer (0.63875) he in year 2021, 2020 I mean that there suitability better in This is amazing The two years, And as He was minimum middle For scale Suitability he in year 2022 And the adult (0.615) any less from Amount Average Note that I mentioned previously that Output whenever Come closer to me Zero He is An indicator to presence suitability Strong.

Below is the table 6 showing a summary of the suitability scale ratios for commercial banks (Assyria, Gulf, Sumer)

Sumer	Business Bay	Assyria International	The bank
0.63083 strong	0.17Strong	0.12666Strong	Average scale/ Suitability

Secondly -Measuring the quality of financial reporting according to the principle of honest representation:

The quality of financial reporting is measured according to the principle: Honest representation, where the scale confirms Honest representation. The absolute value of optional entitlements is greater than the average absolute value. Let's have that Classification of receivables I have to The bank Y Practice earnings management. A decrease in the level of honest representation during each year of the research. However, if the absolute value of the optional receivables is less than the average absolute value of the optional receivables, the bank can be classified as not practicing profit management, and therefore there will be an increase in the level of honest representation during each year of the research. That is to say, the bank's management does not intentionally manipulate the preparation of external financial statements and reports in order to obtain gains and benefits, especially for the bank and its management during a certain period, in addition to not shading shareholders and other decision makers and influencing contracts that depend on the accounting numbers included in those reports. Shown below in the table(4).

Calculating the principle of honest representation for Ashur Bank:

Table 7 Measuring camel quality G to a bank Assyria According to the principle of A To represent the truthful

The level of faithful representation	Classification (practicing/non-practicing).	Average absolute value of optional accruals	Optional dues DA Cit/Ait1	Dues are optional ND ASijt/Aijt	Dues Tacit College	Sunnah
High level of application of the principle of honest representation	Not practicing earnings management	0.8625	0.7325	0.815	33,625,637.5	2020
High level of application of the principle of honest representation	Not practicing earnings management	0.84	0.6775	0.77125	35,793,730	2021
High level of application of the principle of honest representation	Earnings management practitioner	0.0825	0.165	0.145	116,407,356.25	2022

The table show 7 that higher value For dues College I reached(116,407,356.25)in year2022 while minimum value She was in year2020 And the adult(33,625,637.5), To fluctuate Value Dues It was a result Wiggle all from Net Income And flow Operating cash To the bank And the reason in this Oscillation to non stability Financial reporting to the bank during years search, And also It becomes clear from Results above that minimum value For dues not Optional reached(0.145)in year2022, while higher value I reached(0.815)She was in year2020, as And he notices from during table the previous Wiggle Value Dues not Electives For a bank Assyria International a result To wiggle all from sums Revenue And credits Accounts Debtors Please on Amounts fluctuate Total For real estate And property And machines during years search, And he notices that higher Value for receivables Electives She was in year2020And I reached(0.7325) , while minimum value She was in year2022 And the adult(0.165), from during what progress maybe classification condition bank Assyria International To the practitioner or not practitioner To manage profits, And it depends this Classification on Comparison between Value Absolute entitlements Electives And average Value Absolute For this dues, So She was Value Absolute For dues Electives greater from middle Value Absolute For dues Electives It is possible classification The bank on that it practitioner To manage Profits And with this He is decrease in level representation The honest one during all year from years search,

The approval of bank departments and taking decisions Administrative It fits with Objectives specified from before administration The bank when Disclosure With lists Finance on Information With intention investigation Benefits And goals especially , Please on Getting up With a process Manipulation In numbers Accounting from during to exploit Flexibility By the rules Accounting And options Practices Measurement And disclosure In it To convert Information Finance to what He prefers it Preparers To get on results Profitable and positive Instead from Reporting In a way Neutral And fair.

That results that It was completed reach To her find The researcher that bank Assyria International did not He practices administration Profits For years2020-2021 because rate representation The honest one For this years She was High But it is March administration Profits For the year 2022 from during decrease level representation The honest one in This year.

Calculating the principle of faithful representation of the Iraqi Gulf Bank: The extent of the Iraqi Gulf Bank's ability to present information is calculated according to the principle of faithful representation.

Table 8 Measuring the quality of reporting to Assyria Bank according to the principle of honest representation

The level of faithful representation	Classification (practicing/non-practicing).	Average absolute value of optional accruals	Optional dues DACit/Ait1	Dues optional NDASijt/Aijt	Dues Tacit College	Sunnah
High level of honest representation	Not practicing earnings management	0.8625	0.8125	0.82125	43,895,726.25	2020
Low level of honest representation	Earnings management practitioner	0.84	0.8725	0.8325	160,176,266.25	2021
Low level of honest representation	Earnings management practitioner	0.0825	0.08875	0.045	1,128,824,928.75	2022

The table shows 8 The highest value of the total receivables I reached 1,128,824,928.75 in year 2022 while minimum value She was in year 2020 And the adult (43,895,726.25), And wiggle Value Dues College To the bank Gulf Commercial a result To wiggle all from Net Income And flow Cash Operational That's why The bank And he comes back the reason in this Oscillation to non stability Bank financial reporting during years search, And it becomes clear from during Results above that minimum value For dues not Electives I reached (0.045) in year 2022 while higher value I reached (0.8325) in year 2021, as And he notices from during table the previous Wiggle Value Dues not Electives For a bank Gulf Commercial a result To wiggle all from sums Revenue And credits Accounts Debtors Please on Wiggle Amounts Total For real estate And property And machines during years Search And he notices from during Results above He notices that higher value For dues Electives She was in The year 2021 and reached (0.8725), while minimum value She was in year 2022 And the adult (0.08875) this It means low in Calculation Dues Electives a result decrease Dues College Than progress The researcher can classification condition bank Gulf Commercial to practitioner or not practitioner To manage profits, And it depends this Classification on Comparison between Value Absolute For dues Electives And average Value Absolute For this Receivables, as the results of the analysis of the information of the Iraqi Gulf Bank confirmed, that results that It was completed reach To her find The researcher that bank Gulf Commercial did not He practices administration Profits For the year 2020 because rate representation The honest one For this The year it was High But it is March

administration Profits years 2022, 2021 from during decrease level representation The honest one in this The years.

Calculating the principle of true representation for Sumer Bank: The extent of the Iraqi Gulf Bank's ability to present information is calculated according to the principle of faithful representation.

Table 9 Measuring the quality of reporting for a bank Sumer According to the principle of honest representation

The level of faithful representation	Classification (practicing/non-practicing).	Average absolute value of optional accruals	Optional dues DACit / Ait1	Dues are optional N DAsijt/Aijt	Dues Tacit Colle	Sunnah
High level of honest representation	Not practicing earnings management	0.8625	0.825	0.82875	1,607,352.5	2020
Low level of honest representation	Earnings management practitioner	0.84	0.97625	0.80875	58,860,517.5	2021
High level of honest representation	Not practicing earnings management	0.0825	0.0175	0.1225	54,513,508.75	2022

Table 9 shows that the highest value of total receivables was (58,860,517.5) in year 2021 while minimum value I reached (1,607,352.5) She was in year 2020, As it is noted from table the previous Wiggle Value Dues College For a bank Sumer a result To wiggle all From net Income And flow Cash Operational That's why The bank And he comes back the reason in this Oscillation to non stability Bank financial reporting during years Search and It becomes clear from during Results above that Lowest value For dues not Electives I reached (0.1225) in year 2022 while higher value I reached (0.82875) She was in The year 2020 as well And he notices from during table the previous Wiggle Value Other receivables Electives For a bank Sumer a result To wiggle all from sums Revenue And credits Accounts Debtors Please on Wiggle Amounts Total For real estate And property And machines during years search, As it is noted that there Value Negative She was a result Change in Revenue The bank from during Results above He notices that higher value For dues Electives I reached (0.97625) She was in year 2021, while minimum value She was in year 2022 And the adult (0.0175), through what progress maybe classification condition bank Sumer The Iraqi to practitioner or not practitioner To manage Profits.

That results Which I reached The researcher confirm that bank Sumer did not He practices administration Profits in this years 2022, 2020 because rate representation The honest one High For this years Accent He practices administration Profits in year 2021 from during decrease level representation The honest one For this Sunnah.

Below is the table 10 showing a summary of the ratios of the honest representation scale for commercial banks (Assyria, Gulf, Sumer)

Sumer	Business Bay	Assyria International	The bank
High honest representation	decrease	decrease	Average scale/ Honest representation

Third– Measuring the quality of a bank's financial reporting ASHORE according to the principle of appropriate timing: is measured Quality of financial reporting of a bank ASHORE according to the principle of appropriate timing Depending on the scale BASU For the year 1997.

Scale confirms BASU The returns of bad stocks are reflected in the profits of commercial banks during the same accounting period, and the returns of good stocks are reflected in more than one period or incompletely, due to the lack of uniformity in the timing of recognition of economic events.

Standard: For the bank to be timely, the timing ratios for each year must be greater than the average for all years.

Measuring the quality of Ashur Bank's financial reporting according to the principle of timeliness

Table 11 Measuring the quality of reporting for a bank Assyria According to the principle of honest representation

Right timing	EPS/Pit	Rit*DR	The second variable DR	Annual market return Rit	The stock price at the beginning of the period pit.	Sunnah
0.0025125	0.00017125	0.1125	1.25	0.1125	0.5375	2020
0.000715	0.0001975	0.05	1.25	0.05	0.425	2021
0.00189625	7.892125	0.0875	1.25	0.0875	0.375	2022
0.025771	Average					

Table 11 shows Value measurement quality Reporting Financial For a bank Assyria International According For scale Timing appropriate and indicate Results to that principle Poor timing And it was Average Total By an amount (0.025771) And it was

higher value For scale Timing appropriate For a bank Assyria in year2022 And the adult(0.0025125)while less value For scale Timing appropriate For a bank Assyria is(0.000715)in year2021 any less Amount Than the average, and therefore the timing of recognition of Bank of Assyria's transactions and events is weak because every timing percentage for each year appeared less than the average timing.

Measuring the quality of financial reporting of Al Khaleej Commercial Bank according to The principle of appropriate timing:

Table 12 Measuring the quality of reporting for a bank Business Bay According to the principle of honest representation

Right timing	EPS/Pit	Rit*DR	The second variableDR	Annual market returnRit	The stock price at the beginning of the periodpit. pit	Sunnah
0.1138375	0.1154625	0.075	1.25	0.075	0.6375	2020
0.0375375	0.0391625	0.075	1.25	0.075	0.5625	2021
0.00025	0.0063125	0.25	1.25	0.25	0.4875	2022
0.0515	Average					

The table shows 12 Values for measuring the quality of financial reporting for a bank Gulf Commercial According for timing scale appropriate where indicate Results to that principle Good timing And it was Average Total for Amount(0.0515)And it was higher value For scale Timing appropriate For a bank Gulf Commercial he in year2020 And the adult(0.1138375)while less value For scale Timing appropriate For a bank Business Bay he(0.00025)in year2022 any less Amount average,Therefore, the timing of recognition of Bank A's transactions and events representsThe Iraqi Gulf is goodBecause each timing ratio is for each yearZI rushedgreaterFrom average times.

Measuring the quality of Sumer Bank's financial reporting according to the principle of timeliness

Table 13 Measuring the quality of reporting for Sumer Bank according to the principle AFor appropriate timing

Right timing	EPS/Pit	Rit*DR	The second variableDR	Annual market returnRit	The stock price at the beginning of the periodpit. pit	Sunnah
0.00125	1.598125	0.0625	1.25	0.0625	1.1875	2020
0.022325	22,258.75	0	0	0	1.125	2021
0.0172625	0.0050625	0	0	0	1.125	2022
0.0115025	Average					

Represent Value table above measurement quality Reporting Financial For a bank Sumer According For scale Timing appropriate where appeared Results Good And it was Average Total By an amount(0.0136125)And it was higher value Scale Timing appropriate For a bank Sumer International in year2021 And the adult(0.022325)while less value For scale Timing appropriate For a bank Sumer International he(0.00125)in year2020 any less Amount Average ,Therefore, it represents the timing of recognition of bank transactions and eventsSumerIt is good because each timing ratio for each year appeared to be greater than the average timing.

Table 14. Results

Sumer	Business Bay	Assyria International	The bank
0.0136125good	0.0515good	0.025771weak	Average scale/ The right timing

It is clear from the application of financial reporting quality standards that some indicators are weak and some are good for each bank, as shown in the following summary:

Table 15 Summary of financial reporting quality indicators for Bank (Assyria, Iraqi Gulf, Sumer)

Appropriate timing	Honest representation	Suitability index	Drains
Double	decrease	Strong	Assyria
Good	decrease	Strong	Iraqi Gulf
Good	high	Strong	Sumer

We note from table 15 that Sumer Bank has the highest quality of financial reporting among the banks in terms of standards (appropriateness, honest representation, appropriate timing), and the interpretation of this is clear by virtue of the relationship between indicators of internal audit standards standards for the banks in the research sample (Assyria - the Iraqi Gulf - Sumer) Which was the bank that applied internal auditing standards the most, which was the Bank of Sumer, and this in turn had an impact on achieving quality in financial reporting.

Based on what was achieved by the researcher, the validity of the theory was proven, which confirms that: “Internal audit standards have a role in achieving quality financial reporting for the financial reports of the Bank of Sumer, the Iraqi Gulf, and Assyria, respectively.”

2. CONCLUSIONS:

- 1) The evaluation of commercial companies is according to the internal audit standards of the American Accounting Council (AII) confirms the provision of financial data of high quality, suitability, transparency and honest representation in a timely manner.
- 2) Applying internal audit standards provides commercial companies with indicators for controlling financial and administrative performance to control their growth and investments towards sustainability
- 3) Internal audit standards are consistent with the quality of financial reporting processes.
- 4) The company's financial and administrative structure grows by evaluating its business topics and activities in accordance with professional accounting organizations to provide high-quality financial reporting reports.
- 5) Sumer Bank's standards indicators indicate that they are good and in line with internal audit standards to provide high-quality financial reporting data.
- 6) Sumer Bank ranked first by having high-quality financial reports that are consistent with internal auditing standards.
- 7) The Iraqi Gulf Bank ranked second, then Assyria Bank, ranked third among the research sample, by providing high-quality data for financial reporting to beneficiaries.

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