

The extent of compliance with auditing and accounting ethics in Algeria and its impact on the quality of financial information – a field study during the period (2020-2025)

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Abstract:

This study aims to analyze the impact of compliance with accounting and auditing ethics on improving the quality of financial reporting in the Algerian context, with a focus on the principles of integrity, objectivity, independence, and confidentiality. The research adopted a descriptive-analytical approach supported by a field survey of accountants, auditors, and financial managers. Data was processed using SPSS-25. The results showed a direct and strong relationship between the level of compliance with professional ethics and the quality of financial information, which enhances trust and reduces negative practices. The study recommended intensifying ethics training programs and strengthening the role of professional and regulatory bodies, as well as integrating the ethical dimension into university curricula to ensure the sustainability of financial reporting quality.

Key Words: *Business ethics, auditing, Accounting, financial information quality*

JEL Classification : *M40 M42, M41, M49*

1. *Introduction*

In recent years, institutions have increasingly focused on establishing goals, principles, values, and ethics in the workplace, recognizing human resources as one of the most strategic assets and a central component of intellectual capital, which is reinforced through training and development programs with a particular emphasis on ethical and cognitive growth (Tahir & et al, 2021) In this regard, professional organizations have demonstrated a strong tendency to institutionalize ethics at both the individual and organizational levels, given that professional ethics transcend personal values to form a system of standards guiding practitioners towards disciplined professional performance (Bouchouit, 2021). With the continuous development of the accounting and auditing profession and the expansion of its objectives driven by economic and technological changes, this profession has become a cornerstone of organizational structures and a central source of financial information that underpins strategic decision-making (Rachmawati, 2023). Consequently, the establishment of robust ethical standards has become imperative to govern professional practices and ensure the quality of their outcomes. (IFAC., 2023).

Professional ethics in auditing and accounting play a pivotal role in ensuring the integrity of financial practices and strengthening stakeholders' trust in financial statements. International literature confirms that compliance with ethical standards contributes to reducing misstatements and financial fraud, thereby enhancing the quality and reliability of financial information (Duong, 2022). Similarly, recent Arab studies highlight that the adoption of effective codes of ethics significantly improves transparency and oversight (Bouchouit, 2021).

However, knowledge in the Algerian context remains limited. Most studies have focused on theoretical or legal aspects of auditing without empirically testing the relationship through robust quantitative tools. Moreover, there is a scarcity of research that investigates the impact of ethical compliance on financial information quality through mediating variables such as corporate governance or the adoption of modern auditing technologies (Zainal & et al, 2024). In addition, local literature lacks comparative studies between auditors and accountants, leaving the current picture incomplete (Kaddoush & et al, 2023).

Research problem :

Through this study, we will attempt to answer the following question:

To what extent does compliance with auditing and accounting ethics contribute to enhancing the quality of financial information in the Algerian context during the period 2020–2025?

The following sub-questions can be posed based on the main issue:

- Is there a statistically significant relationship between the level of compliance with audit ethics and the professional behavior of auditors?
- Is there a statistically significant positive correlation between the characteristics of financial information and its quality in the Algerian accounting environment?
- Do accounting and auditing ethics standards have an impact on the quality of financial reports?

1.1. Hypothèses:

- There is a statistically significant relationship between the level of commitment to auditing ethics and the professional behaviour of auditors.

- There is no statistically significant relationship between the qualitative characteristics of financial information and its quality.
- There is no statistically significant impact of accounting and audit ethics standards on the quality of financial reporting.

1.3. Significance of the Study:

The importance of this research lies in highlighting the crucial role of professional ethics and business ethics standards in enhancing the efficiency and effectiveness of the accounting and auditing profession. Adherence to values such as integrity, objectivity, and independence directly reflects on the quality, accuracy, and reliability of financial information. This commitment becomes even more important in complex business environments that require the highest levels of transparency and accountability. Ethics thus contribute to building trust among stakeholders and supporting good governance.

1.4. Study Objectives:

- Highlighting the importance of business ethics and the role it plays in guiding the auditing profession
- The role that auditing ethics plays in achieving financial information quality.

1.5. Literature Review

The topic of accounting and auditing ethics has received considerable attention in academic literature due to its pivotal role in enhancing the quality of financial reporting and safeguarding the interests of users. Most studies agree on the existence of a positive and direct relationship between the ethical commitment of accountants and auditors and the qualitative characteristics of financial information, namely reliability, relevance, comparability, and understandability.

In the Algerian context, local studies have highlighted that adherence to ethical principles represents a critical factor in reinforcing confidence in financial outputs, yet such studies remain scarce. For instance, the study by (Bouchouit, 2021), entitled *The Impact of Accounting and Auditing Ethics on the Quality of Financial Information – A Study of a Sample of Practitioners in Algeria*, aimed to measure the effect of ethical principles on financial information quality from the perspective of accountants. The results indicated a positive influence of most ethical principles, except for the principle of confidentiality, which had a negative effect, while the principle of professional behavior showed a dual impact: positive on relevance and understandability, and negative on the other characteristics.

Similarly (Zouag, 2020) demonstrated that the function of auditing is not confined to technical aspects related to error detection and misstatements but also encompasses the ethical dimension, which serves as a fundamental reference for professional conduct. Nevertheless, most of these studies have focused on theoretical dimensions or limited sectors, underscoring the need for broader quantitative assessments at the national level.

In addition, the study by (Kaddoush & et al, 2023) examined the effect of professional competence elements on the ethical commitment of accountants, emphasizing that professional competence factors constitute a key determinant of ethical adherence. In the Arab context, (Osman & at al , 2008) conducted a study in Sudan entitled *Accounting and Auditing Ethics and Their Role in Detecting Earnings Management Practices*. The findings revealed that compliance with ethical standards helped uncover earnings management practices in

public shareholding companies and recommended strengthening protective measures for accountants and auditors to avoid unethical behavior. Likewise, (Ardeini & et al, 2007) in Iraq investigated the challenges facing the application of accounting ethics and found that weak academic training and professional development, in addition to shortcomings in local regulations and professional frameworks, represented major obstacles to compliance.

At the international level, recent research has demonstrated that the quality of codes of ethics is directly associated with auditor behavior and audit fees. (Duong, 2022) confirmed that institutions applying strict ethical standards are characterized by reduced opportunistic practices and increased investor confidence. (Rachmawati, 2025) showed that ethical leadership within audit firms is a significant factor in strengthening professional commitment to ethical standards, positively impacting report quality. Similarly (Zainal & et al, 2024) established that organizational ethical culture serves as a mediating variable linking ethical compliance to financial disclosure outcomes. In the same vein, the literature has emphasized that financial information quality is not merely a result of accounting techniques but also a reflection of a deeply embedded ethical culture. (Rachmawati, 2025) found that report quality improves in ethically oriented professional environments, (Duong, 2022) demonstrated that ethical compliance reduces the information gap between managers and investors, and (Zainal & et al, 2024) highlighted that a strong ethical culture amplifies the effect of regulatory compliance and curbs earnings manipulation.

Despite the richness of the literature, a clear research gap emerges along three main axes:

- ❖ ***Focus on the Algerian context:*** Comprehensive field studies remain scarce despite the specific economic, regulatory, and cultural environment of Algeria.
- ❖ ***Integration of accounting and auditing ethics:*** Previous studies have largely addressed one profession in isolation, while the current study aims to integrate both within a unified empirical framework.
- ❖ ***Analysis of mechanisms of compliance and impact:***
Most prior research has been limited to general associations, whereas this study seeks to investigate the underlying mechanisms that support or hinder ethical compliance and how these practices translate into tangible improvements in the quality of financial information.

Accordingly, the present study seeks to bridge this gap by adopting a quantitative field approach in the Algerian environment, combining the perspectives of accountants and auditors, and examining the impact of ethical compliance on the quality of financial information in light of mediating variables. This will provide both a scientific and academic contribution, as well as practical implications for professional bodies and decision-makers.

Moreover, the literature review confirms a consensus that compliance with accounting and auditing ethics contributes to improving the quality of financial information. However, most Algerian and Arab studies have been limited to theoretical analyses or small samples and have not provided extensive quantitative evidence to demonstrate how ethics directly or indirectly affect information quality. Additionally, prior studies have often treated accounting and auditing separately rather than as an integrated ethical system. Thus, the importance of the current study lies in addressing this gap through a comprehensive quantitative field

investigation in the Algerian context, thereby providing both original scholarly insights and practical recommendations.

2. The ethical dimensions of the accounting and auditing profession:

Like other professions in the business sector, accounting and auditing have undergone ethical crises stemming from greed and the overwhelming dominance of private interests over public interests. Increased competition between companies and conflicts of interest have shifted the focus of accountants and auditors from providing high-quality financial information that clearly highlights an organisation's financial performance to distorting financial statements to satisfy company managers and clients.

2.1. Definition of accounting and auditing ethics:

Ethics are moral standards and measures used to distinguish between right and wrong. In the field of accounting and auditing, ethics serve as measures and standards for ethical values and behaviours that govern accounting work carried out in a business environment.

Accounting and auditing ethics are defined as a set of principles and standards that govern accounting behaviours related to what is right or wrong. They represent guidelines for accountants' behaviours in performing their professional duties, and their importance increases in proportion to the effects and results of the work. The more influential the accountant's activity, the more important the ethics of that accountant or auditor become. (Abdul Nasser Ibrahim Noor, 2012, p. 31).

- Also known as "a set of ethical values and principles that must be present in the ethical behaviour of an auditor, such as honesty, fairness, compliance with laws and standards, integrity, professional care and a sense of responsibility". (Bendoubba, 2021, p. 831).
- "It is a set of values and principles recognised by professionals that govern individuals working in the accounting and auditing profession, defining and clarifying what constitutes proper and improper conduct in order to preserve the profession and its honour" (Bachiri, 2022, p. 7)

2.2. The importance of ethics in the accounting and auditing profession

Accounting ethics create complete trust among the various parties dealing with the institution, because making sound decisions based on unethical financial information will affect the integrity of the accountant who prepared this information in the first place, and then affect the financial position of the institution in the second place, through investors losing confidence in dealing with this institution. Therefore, accountants must demonstrate the highest degree of professional ethics, which contributes to the quality of financial information. (Nourredine, 2015, p. 461).

3. Ethical standards for the accounting and auditing profession:

The Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA), which is part of the International Federation of Accountants (IFAC), sets out the key ethical principles that accounting and auditing professionals should follow, which are: (integrity, objectivity, professional competence and due care, confidentiality, professional behaviour). Several standards adopted by other bodies will also be mentioned. (Mahmoud, 2015, p. 34).

3.1. Reliability

is achieved when it includes:

- **Integrity:** Accountants and auditors must be reliable, honest in the performance of their duties and professional services, and capable of assuming the following responsibilities:
 - Refraining from engaging in or practising any behaviour that could limit their ability to perform their duties within an ethical framework; (Saddam Mohammed Mahmoud et al, 2011, p. 411).
 - Refusing any gift, benefit or favour that could influence their actions;
 - Not directly or indirectly negatively influencing the achievement of the legal and ethical objectives of the organisation.

The Code of Ethics issued by the American Institute of Certified Public Accountants (AICPA) states that the principle of integrity accommodates the possibility of unintentional errors or legitimate differences of opinion, without this constituting a conflict with the essence of professional integrity. However, any behaviour involving deception or fraud is a clear violation of this principle.

3.2. Confidentiality:

This means maintaining the confidentiality of information within its facilities, and in doing so, it must also assume the following responsibilities:

- Refraining from disclosing any information;
- Informing his assistants regarding the confidentiality of the information they obtain in the event of disclosure;
- Refraining from using the confidential information available to him to obtain an additional advantage for his personal benefit or to achieve the interests of a third party.

3.3. Objectivity

The principle of objectivity means that accountants and auditors should not be biased while performing their duties, nor should they be influenced by others so that their professional performance is not affected. Objectivity is a state of mind that excludes bias and prejudice, ensuring fairness and impartiality in all decisions and matters related to the tasks they perform. Accountants and auditors must also be fair, impartial, and unbiased, and not allow others to influence them to exceed professional judgements. They are also responsible for:

- Communicating information fairly and objectively; (Alvin arenzer, 2009, pp. 127-128)
- Fully disclosing all relevant information that is expected to affect the understanding of users of the reports, explanations or recommendations presented.

3.4. Professional competence and care:

Accountants and auditors must be qualified for all the tasks they perform and must perform their duties and professional services to the fullest extent in terms of care and proficiency. They must also assume the following responsibilities:

- Maintain an appropriate level of professional competence and efficiency through continuous development of knowledge and skills, and keep abreast of new developments in the field of specialisation and the laws and regulations issued by official authorities;
- Perform professional duties in accordance with the appropriate laws, regulations and technical standards;

- Performing tasks diligently in accordance with the professional and technical standards applicable to the performance of professional services. High-quality professional service requires the exercise of sound judgement in the application of professional knowledge and skills when performing a particular service. Professional competence can be divided into two separate stages: achieving professional competence and maintaining professional competence. (Ben Othman, 2006, p. 435)

3.5. Professional conduct

Accountants and auditors must comply with the laws and regulations relevant to their profession and avoid any action that would discredit it. Their conduct and behaviour must also be consistent with the values of their faith.

When marketing and promoting themselves and their work, accountants and auditors should not damage the reputation of the profession but should be honest and trustworthy. Compliance with relevant laws, regulations and rules is considered a safeguard against manipulation and accounting fraud that harms the public interest for personal gain.

4. The role of accounting and auditing ethics in achieving financial information quality:

Financial information is a key pillar in supporting decision-making processes, with sources ranging from legitimate to potentially illegitimate, which directly affects the reliability of financial statements as the main tool for representing that information. To achieve a high level of effectiveness in serving decision-makers, financial information should have a comprehensive set of quality characteristics that ensure its accuracy, relevance, understandability, and usability.

4.1. Definition of financial information quality:

The concepts of information quality refer to the set of characteristics that financial information should have in order to be useful in a practical context. The quality of financial and economic information is not limited to its intrinsic characteristics, but also extends to attributes related to its users, particularly decision-makers, reflecting the interaction between the nature of the data and the needs of its recipients. (Warin, 2012, p. 278)

4.2. Characteristics of financial information quality:

The quality of financial information is determined by a set of basic characteristics that ensure its effectiveness in supporting economic decisions. The most prominent of these characteristics are as follows:

1. Relevance:

This characteristic reflects the ability of information to meet the needs of decision-makers, directly influencing their economic decisions by contributing to the assessment of past, present and future events, or by confirming or modifying previous estimates. Relevance is manifested through its sub-characteristics, which are:

- **Timeliness:** The availability of information to the user at the right time to make the best use of it.
- **Predictive Value:** The ability of information to provide a scientific basis for predicting future trends.
- **Confirmatory/Feedback Value:** The ability of information to detect and correct deviations when they occur.

2. Reliability:

This characteristic refers to the ability of information to accurately express the essence of economic activities or processes, allowing it to be relied upon in modelling and decision-making. Reliability requires several sub-characteristics, namely:

- **Faithful Representation:** Information must reflect economic reality faithfully and accurately.
- **Verifiability:** Information must be reviewable and verifiable through reliable evidence.
- **Neutrality:** The information must be free from any bias or influence in favour of one party at the expense of another, while maintaining credibility towards all its users.

In this context, the quality of financial information is the result of a balance between relevance and reliability, ensuring its ability to support sound decisions and enhance transparency in the financial environment.

4.3. Criteria for measuring the quality of financial information:

The quality of accounting information is measured according to a set of fundamental indicators that reflect its ability to support economic decisions and achieve the objectives of the entity.

The most prominent of these criteria can be summarised as follows: (Al-Fadl, 2002, p. 306)

Accuracy: Accuracy is one of the key measures of financial information quality, as it reflects its ability to accurately represent economic reality by covering the past, present and future. The higher the level of accuracy, the greater the value of the information in expressing historical facts and formulating future expectations.

Usefulness: Usefulness is related to the accuracy and ease of use of information, as the quality of information increases when its data is reliable, understandable, and practical for use by various categories of beneficiaries.

Effectiveness: Effectiveness reflects the extent to which information contributes to achieving the objectives of the organisation or decision-maker within a limited resource framework. From this perspective, the effectiveness of information is a direct indicator of its quality through its ability to efficiently support the objectives set.

Predictive Ability: This refers to the ability of information to use past and present data to predict future events and outcomes, making it an essential tool in strategic planning and decision-making.

Efficiency: Efficiency refers to achieving objectives using the least amount of resources possible. This criterion is related to the principle of economy in information systems, which aims to maximise the quality of information at the lowest possible cost, ensuring that the added value of the information exceeds its cost.

Based on these criteria, it can be said that the quality of financial information represents a combination of accuracy, usefulness, effectiveness, predictive value, and efficiency, which enhances its role in improving financial and economic decisions at various levels.

5. Analysis and Discussion of the Study Results:

5.1 Study Methods and Tools:

5.1.1 Study Population: The study population consisted of a group of 59 accounting and auditing professionals and academics in the provinces of Batna and Biskra. All questionnaires were distributed and retrieved electronically.

5.1.2 .Statistical Methods Used in the Study: SPSS v23 was used, and the following statistical tests were used:

- **Arithmetic Mean:** Calculating the arithmetic mean for each statement and the axes;
- **Standard Deviation:** To express the dispersion of the sample items;
- **Frequency Distribution and Percentages:** To describe the answers obtained;
- **Cronbach's Alpha Coefficient:** To measure the strength of the relationship between the statements and to ensure the reliability of the study tool.

5.2 Validity and reliability of the study:

To ensure the validity of the questionnaire, two methods were used: First, the validation of the accounting specialists, as it was presented to them. Second, we calculated the Cronbach's alpha coefficient to measure reliability, which must be greater than 0.60, and we calculated the reliability coefficient, which is the square root of Cronbach's alpha to measure validity, and must be greater than 0.70. This can be explained through the following table:

Table (01): Cronbach's Alpha Reliability Coefficient for the Study Dimensions

Dimension	Number of Items	Cronbach's Alpha Reliability Coefficient	Validity Coefficient
First Dimension: Impact of the Principle of Integrity on Audit Quality	05	0.724	0.850
Second Dimension: Impact of the Principle of Confidentiality on Audit Quality	05	0.742	0.861
Third Dimension: Impact of the Principle of Objectivity on Audit Quality	05	0.752	0.869

Source: Prepared by the researcher based on SPSS v25 outputs.

The table data shows that the reliability coefficient values for all study axes were higher than the minimum acceptable limit. The reliability coefficient for the first axis reached 0.724, the second axis reached 0.742, and the third axis achieved a value of 0.752. These results indicate that the research tool's statements enjoy a high degree of internal consistency, which enhances the possibility of generalizing the study's results. The data also showed a strong, positive correlation between the statements within each axis. The reliability coefficient for the first axis was estimated at 0.850, for the second axis at 0.861, and for the third axis at 0.869. These indicators combined confirm the robustness of the research tool and its suitability for use in analyzing results with high confidence.

5.3. Analysis and discussion of the study results and hypotheses:

1. Demographic Characteristics of the Study Sample

The analysis of the demographic profile of respondents reveals that males constituted 59.3% of the sample, whereas females represented 40.7%. In terms of age distribution, the most represented category fell within the 41–50 age group, accounting for 44.1%, followed by participants aged over 50 years at 25.4%. Regarding educational qualifications, the largest proportion of respondents (40.7%) held a doctoral degree, while 28.8% possessed a bachelor's degree, 22% a master's degree, and 8.5% a Magister degree.

With respect to occupation, university professors represented the largest segment at 39%, followed by accountants at 16.9%, statutory auditors at 10.2%, and chartered accountants at 6.8%. The remaining 27.1% were engaged in other accounting-related professions. Concerning professional experience, over half of the respondents (53.3%) had more than 10 years of experience, while 32.2% reported between 5 and 10 years of experience, and 13.6% had less than 5 years.

Table (02): Demographic Characteristics of the Study Sample

No.	Variable	Category	Frequency	Percentage (%)
01	Gender	Male	35	59.3
		Female	24	40.7
02	Age Group	Less than 30	6	10.2
		31–40	12	20.3
		41–50	26	44.1
		Above 50	15	25.4
03	Educational Level	Bachelor's Degree	17	28.8
		Master's Degree	13	22
		Magister Degree	5	8.5
		Doctorate	24	40.7
04	Occupation	University Professor	24	39
		Accountant	16	16.9
		Chartered Accountant	7	6.8
		Statutory Auditor	9	10.2
		Other Accounting Professions	4	27.1
05	Years of Experience	Less than 5 years	8	13.6
		5–10 years	20	32.2
		More than 10 years	32	53.3

Source: Prepared by the researcher based on SPSS v25 outputs.

2. Analysis of the study sample's opinions:

The statements were formulated based on a five-point Likert scale, and their scores were distributed as follows:

Table (03): Five-Point Likert Scale

Classification	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Score	1	2	3	4	5
Mean Range	1.00–1.80	1.81–2.60	2.61–3.40	3.41–4.20	4.21–5.00

Source: Prepared by the researcher based on SPSS v25 outputs.

3. Analysis of the sample's opinion trend regarding the first axis:

The opinions of the respondents regarding the first axis can be illustrated by the following table:

Table (4): Means and Responses of the Sample Regarding the Impact of Auditor and Accountant Ethics on the Quality of Financial Information

Item No.	Rank	Statement	Mean	Std. Deviation	Percentage	Degree of Agreement
1	1	The auditor's and accountant's integrity while performing their duties enhances users' trust in financial reports, thereby improving the quality of financial reporting.	4.24	0.78	84.70	Very High
2	3	The auditor's transparency during the performance of audit tasks increases users' confidence in financial reports, thus contributing to the improvement of financial information quality.	4.06	0.78	81.76	High
3	2	Disclosure of information about board members by the accountant and auditor enhances users' trust in financial reports and reflects auditor integrity.	4.09	0.83	81.76	High
4	5	The auditor's honesty and fairness in providing information about executive managers strengthen integrity and transparency, thereby contributing to better audit quality.	3.68	0.64	73.53	High
5	4	The auditor's honesty and fairness in reporting on major shareholders reinforce integrity and transparency, thus improving the quality of disclosed information.	3.91	0.87	78.24	High
Total	—	—	3.99	0.78	79.88	High

Source: Prepared by the researcher based on SPSS v25 outputs.

From the table, it is observed that the weighted mean of all items related to the first variable ranges between (3.67 and 4.23), which are values higher than the assumed reference mean (3). The effect ratios vary between 73.53% and 84.70%, indicating a relatively high level of impact. The overall weighted mean for all items reached (3.994), which also exceeds the assumed reference mean (3). Moreover, the standard deviation was (0.7788), which is less than one, reflecting a high degree of homogeneity among respondents. The overall effect ratio of this variable amounted to 79.88%, which is considered high. This clearly indicates that respondents strongly agree that the principle of integrity exerts a significant influence on the quality of financial reporting.

4. Analysis of the direction of the opinions of the sample relative to the second axis:

The opinions of the respondents regarding the second axis can be illustrated by the following table:

Table (5): Analysis of the opinions of the sample about the second axis

Item No.	Rank	Statement	Mean	Std. Deviation	Percentage	Degree of Agreement
1	2	The auditor's and accountant's commitment to respecting the confidentiality of information obtained about the nature of the entity's operations contributes to enhancing the quality of financial reporting.	4.09	0.83	81.76	High
2	2	The auditor's and accountant's adherence to maintaining the confidentiality of information obtained about the client's business activities contributes to improving audit quality.	4.09	0.75	81.76	High
3	4	Disclosure of organizational secrets by the auditor or accountant undermines professional honor and negatively affects the quality of financial reporting.	3.74	1.02	75.06	High
4	3	The use of confidential organizational information by the auditor or accountant for personal gain negatively affects the quality of financial reporting.	3.91	0.87	78.24	High
5	1	The ability of the auditor and accountant to verify the accuracy, neutrality, and impartiality of information, while safeguarding it as confidential, contributes to improving the quality of financial reporting.	4.15	0.82	82.94	High
Total	—	—	3.99	0.86	79.89	High

Source: Prepared by the researcher based on SPSS v25 outputs.

Through the table, we note that the weighted average of all the paragraphs of the first variable is between (3.73 and 4.15), which are values greater than the assumed reference arithmetic mean (3), and the impact ratios range from 75.06% to 82.94%, which are high impact ratios, and the weighted average of all paragraphs was (3.9941), which is greater than the assumed weighted arithmetic mean (03), and the standard deviation was (0.8589), which is smaller than the correct one, which means there is a great homogeneity, and the percentage of the variable is 79.88, which

is high, and this indicates that the respondents strongly agree that the principle of confidentiality has a high impact on the quality of financial information in financial reports.

5. Analysis of the opinions of the sample about the third axis

The opinions of the respondents regarding the second axis can be illustrated by the following table:

Item No.	Rank	Statement	Mean	Std. Deviation	Percentage	Degree of Agreement
1	2	The objectivity and impartiality of the accountant and auditor in performing their duties strengthen the relationship with report users, thereby positively influencing the quality of financial reporting.	4.09	0.83	81.76	High
2	1	The objectivity, honesty, and integrity of the accountant and auditor enhance users' trust in financial reports, thus positively affecting the quality of financial information.	4.15	0.82	82.94	High
3	4	Avoiding relationships with internal parties confirms the independence of the accountant and auditor and reflects their commitment to due professional care, which positively influences the quality of financial reporting.	3.71	1.12	74.12	High
4	5	The auditor's ability to resist external influences while performing audit tasks supports independence, thereby contributing to enhancing audit quality.	3.68	0.94	73.53	High
5	3	Prioritizing the interests of the organization over those of management and other stakeholders supports institutional sustainability and positively impacts the quality of financial information.	3.91	1.16	78.24	High
Total	—	—	3.91	0.97	78.20	High

Source: Prepared by the researcher based on SPSS v25 outputs

Through the table, we note that the weighted average of all paragraphs of the first variable is between (3.68 and 4.14), which are values greater than the assumed reference arithmetic mean (3), and the impact ratios range from 73.53% to 82.94%, which are high impact ratios, and the weighted average of all paragraphs was (3.91), which is greater than the assumed weighted arithmetic mean (03), and the standard deviation was (0.9748), which is smaller than the correct one, which means there is homogeneity, and the percentage of 78.20 it is high, this indicates that

the respondents strongly agree that the principle of objectivity has a high impact on the quality of financial reporting.

5.4. Testing the study hypotheses:

- 1. Testing the first hypothesis:

Table (7): Result of Testing the First Hypothesis

Calculated (T)	Sig. (2-tailed)	Null Hypothèses Result
14.226	0.000	Rejected

Source: Prepared by the researcher based on SPSS v25 outputs

To confirm the validity of the study hypotheses, the researcher used the T-test Test for one sample shown in Table (7), as we find through these results that the level of significance is equal to (0.000), which is lower than the level of moral significance (0.05) approved by the researcher, and therefore we reject the nihilistic hypothesis" there is no statistically significant effect between the principle of integrity and the quality of financial information " and accept the alternative hypothesis there is a statistically significant effect between the principle of integrity and the quality of financial information.

- 2. Testing the second hypothesis

Table (8): Result of Testing the second Hypothesis

Calculated (T)	Sig. (2-tailed)	Null Hypothesis Result
12.60	0.000	Rejected

Source: Prepared by the researcher based on SPSS v25 outputs

To confirm the validity of this result, the researcher used the T-test Test for one sample shown in Table (8), as we find through these results that the level of significance is equal to (0.000), which is lower than the level of moral significance (0.05) approved by the researchers, and therefore we reject the nihilistic hypothesis" there is no statistically significant effect between the principle of confidentiality and the quality of financial information " and accept the alternative hypothesis there is a statistically significant effect between the principle of confidentiality and the quality of financial information

- 3. Testing the third hypothesis:

Table (09): Result of Testing the Third Hypothesis

Calculated (T)	Sig. (2-tailed)	Null Hypothesis Result
8.99	0.000	Rejected

Source: Prepared by the researcher based on SPSS v25 outputs

To confirm the validity of this result, the researcher used the T-test Test for one sample shown in Table (09), as we find through these results that the level of significance is equal to (0.000), which is lower than the level of moral significance (0.05) approved by the researchers, and therefore we reject the nihilistic hypothesis" there is no statistically significant effect between the principle of objectivity and the quality of financial reports " and accept the alternative hypothesis there is a statistically significant effect between the principle of objectivity and the quality of financial reports.

6. CONCLUSION:

Professional ethics in business in general, and in the accounting and auditing profession in particular, has become a global issue that transcends geographical boundaries, as it is no longer the preserve of certain environments or societies, but represents a fundamental pillar of various

economic activities in both developed and developing countries. The correlation of ethical behavior with professional practices makes it the basis on which credibility, transparency and quality of financial outputs are based.

This study has reached a set of theoretical and applied results, which can be summarized as follows:

- ❖ The ethics of the accounting and auditing profession is based on a set of principles and standards that regulate the behavior of professionals while performing their tasks.
- ❖ The ethical behavior of accountants and auditors is manifested through their dealings with related parties and the extent to which they adhere to the rules of the profession.
- ❖ The study sample has a clear awareness of the importance of Professional Ethics in improving the quality of financial reporting.
- ❖ A strong correlation was found between ethical compliance and the qualitative characteristics of financial information, which reflects the respondents' awareness of the importance of respecting ethical standards.
- ❖ The basic characteristics of financial information are directly related to the level of compliance of the accountant and auditor with the ethical standards of the profession.
- ❖ Sound behavioral practices and adherence to ethical rules are essential pillars for achieving high quality financial information.
- ❖ Professional ethics, in particular the rules of conduct, represent one of the most prominent challenges faced by professionals in the efficient exercise of their tasks, which necessitates the adoption of rational practices to ensure the achievement of the qualitative characteristics of financial information and enable its users to make sound decisions.
- ❖ The results confirmed the need for the external auditor to adhere to the utmost professional care while practicing the audit process to ensure the enhancement of the quality of financial information.

Overall, the statistical results confirmed that professional ethics account for a substantial portion of the variance in reporting quality. This demonstrates that ethics should be considered a central pillar of accounting and auditing practice, rather than a supplementary consideration.

Based on these findings, the study recommends the following:

- ❖ Intensify training programmes in professional ethics to raise practitioners' awareness and develop their ability to apply it effectively.
- ❖ Strengthen the role of professional and regulatory bodies in monitoring ethical compliance and imposing necessary penalties when violations occur.
- ❖ Integrate the ethical dimension into university curricula to ensure the formation of generations of professionals with integrated technical and ethical competencies.

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