

The Role of Professional Ethics in Enhancing the Application of the Algerian Financial Accounting System Principles – A Study of a Sample of Professionals and Academics in Constantine City

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Abstract:

This study aims to examine the role of professional ethics in enhancing the application of the principles of the Algerian financial accounting system, which allows for the production of accounting information that reflects the true performance and financial position of an economic institution. To address this issue, it was necessary to study the correlation and impact relationship between the variables of professional ethics and the dimensions of the financial accounting system principles. To enhance this understanding, a questionnaire was designed and distributed to the study sample, which consisted of 301 individuals. Using a descriptive-analytical approach, the study yielded several key results, including the significant role of professional ethics in enhancing the application of the financial accounting system principles. Furthermore, the analysis of the study sample's responses revealed that accountants exhibit respect for most laws and regulations that require compliance with professional ethical standards.

Keywords: Financial Accounting System Principles, Professional Ethics.

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Introduction:

Algeria, like other emerging countries, strives to keep up with global economic changes. In its pursuit of market-oriented mechanisms and partnerships with the European Union, as well as its aim to join the World Trade Organization, Algeria has implemented reforms in its accounting system. This led to the adoption of the Financial Accounting System (FAS) and the abandonment of the national accounting scheme starting from January 1, 2010. The FAS enables the disclosure of financial statements that contain transparent accounting information. In recent years, Algeria has also improved and developed the status of the external auditing profession by issuing legislative laws and regulatory decrees.

Decision-makers (shareholders, investors, lenders, etc.) benefit from the outputs of the financial accounting system, which include accounting information presented in reports and financial statements. In order for this information to be reliable and reflect the true position of the institution, accountants are necessary to perform all tasks that allow for the application of the principles of the financial accounting system. The skills, experiences, and qualifications of accountants may vary, and their role extends beyond the completion of their assigned tasks. Accountants are expected to comply with professional ethical standards through integrity, objectivity, professional competence, and confidentiality, in order to fulfill their duties effectively. The behavior of accountants plays a crucial role in promoting the application of these principles. As the objectives of the accounting profession in Algeria evolve and the responsibilities of accountants become more complex, it has become necessary to study the ethical behavior of practitioners in this field.

To delve deeper into this idea, and based on the aforementioned points, the research problem is formulated as follows:

Is there a statistically significant impact of professional ethics rules for accountants on enhancing the application of the Algerian financial accounting system principles at a significance level of 0.05?

Sub-Introduction:

This research question can be further divided into four sub-questions, which are as follows:

- Is there a statistically significant impact of the integrity dimension of professional ethics rules for accountants on enhancing the application of the Algerian financial accounting system principles?
- Is there a statistically significant impact of the objectivity dimension of professional ethics rules for accountants on enhancing the application of the Algerian financial accounting system principles?

- Is there a statistically significant impact of the professional competence dimension of professional ethics rules for accountants on enhancing the application of the Algerian financial accounting system principles?
- Is there a statistically significant impact of the confidentiality dimension of professional ethics rules for accountants on enhancing the application of the Algerian financial accounting system principles?

Study Hypotheses: To initiate the research, several hypotheses will be formulated as a starting point. They are as follows:

Main Hypothesis: There is a statistically significant impact of professional ethics rules for accountants on enhancing the application of the Algerian financial accounting system principles at a significance level of 0.05.

This main hypothesis branches out into a set of sub-hypotheses:

Sub-Hypothesis 1: There is a statistically significant impact of the integrity dimension of professional ethics rules for accountants on enhancing the application of the Algerian financial accounting system principles.

Sub-Hypothesis 2: There is a statistically significant impact of the objectivity dimension of professional ethics rules for accountants on enhancing the application of the Algerian financial accounting system principles.

Sub-Hypothesis 3: There is a statistically significant impact of the professional competence dimension of professional ethics rules for accountants on enhancing the application of the Algerian financial accounting system principles.

Sub-Hypothesis 4: There is a statistically significant impact of the confidentiality dimension of professional ethics rules for accountants on enhancing the application of the Algerian financial accounting system principles.

Study Objectives:

- The study aims to gain a comprehensive understanding of the principles of the Algerian financial accounting system.
- The objective is to familiarize oneself with the ethical standards and practices of the accounting profession.
- The study seeks to identify and explore the key objectives of ethical behavior in accounting.
- The goal is to examine the significant role of professional ethics rules for accountants in enhancing the application of the financial accounting system principles.

Study Methodology:

The study employs a descriptive-analytical statistical approach. It begins by providing a theoretical framework that delves into the relevant concepts and theoretical foundations. Furthermore, a practical framework is employed, involving the collection of primary data from primary sources. The data is collected through a questionnaire survey administered to the study sample. Subsequently, the collected data is analyzed using the SPSS software version 23 to study and analyze the questionnaire results.

Study Framework:

– **First Axis:** The Algerian Financial Accounting System.

This axis focuses on understanding the principles and components of the Algerian financial accounting system, including its regulations and requirements.

– **Second Axis:** Professional Ethics Rules for Accountants.

This axis explores the ethical standards and guidelines that govern the behavior of accountants. It examines the importance of integrity, objectivity, professional competence, and confidentiality in the accounting profession.

– **Third Axis:** Analysis of Questionnaire Survey Results.

This axis involves the collection and analysis of primary data through a questionnaire survey. The survey is administered to a selected sample of accountants to gather their perspectives and insights regarding the relationship between professional ethics rules and the application of the financial accounting system principles in Algeria.

Previous Studies:

– **A study by** (Ardini, 2007) titled "Challenges Facing the Implementation of Ethical Standards in the Accounting Profession in Iraq: A Study of Accountants' Opinions in Mosul" identified several findings. The study revealed that although Iraq has professional organizations overseeing and regulating the accounting profession, the ethical standards do not keep pace with modern scientific developments. There is a lack of clarity and ambiguity in these standards, making them challenging to implement. Additionally, the study highlighted the need for better theoretical and practical training for accountants and the importance of continuous professional development opportunities.

– **A study** (Saddam, Ibrahim, & and Hamed, 2011) titled "The Impact of Ethical Standards for Management Accountants on the Quality of Financial Reporting: A Case Study of Accountants in Tikrit" found significant differences among the surveyed accountants regarding the ethical standards of management accountants. The study demonstrated a statistically significant relationship between the ethical standards of management accountants and the quality of internal financial reporting.

– **A study by** (Abdul Khaliq, 2014) titled "The Role of Ethical Standards of Management Accountants in the Quality of Accounting Information" identified various factors and behaviors influencing the effectiveness of reports. The study emphasized the importance of professional ethics, including principles such as objectivity, reliability, neutrality, and timely reporting. It also discussed the presence of conflicts between professional and personal ethics. These previous studies provide valuable insights into the challenges and impact of ethical standards in the accounting profession, laying a foundation for further research in the field.

– **A study by** (Himrane & Hassani, 2019) titled "Ethics in Algerian Accounting" revealed several findings. The study highlighted that accountants in most countries adhere to the professional ethics code established by the International Federation of Professional Accountants, which outlines the main principles guiding professional behavior. The study suggested that ethical standards developed by the National Council of Accountants in Algeria could enhance the role of ethics and behavior in performing professional duties.

– **A study by** (Ajila, 2020) titled "Requirements and Components of Regulating the Accounting Profession in Algeria –Ethics Perspective" presented several findings. The study emphasized the growing interest of many countries and professional organizations in the ethical aspect of accounting work through the issuance of codes of professional conduct, which practitioners should adhere to while performing their duties. Algeria, among other countries, has defined principles and rules that regulate the work of accounting experts, accountants, and certified accountants within the framework of applicable laws and regulations.

First: Definition of the Algerian Financial Accounting System

The Algerian Financial Accounting System has been in operation since January 1, 2010, aiming to ensure the disclosure of financial statements that contain transparent accounting information.

The definition of the Algerian Financial Accounting System is provided in Article 03 of Law 11-07 dated November 25, 2007, where it is referred to as financial accounting: "Financial accounting is a system for organizing financial information that allows storing, classifying, evaluating, recording, and presenting statements that reflect an accurate picture of the financial position, assets, efficiency, and treasury position of the entity at the end of the fiscal year." (07-11, Dated November 25, 2007, p. 3)

Second: Principles of the Algerian Financial Accounting System

The Financial Accounting System comprises several principles that can be categorized as follows:

Principles related to disclosure:

- **Principle of double-entry:** Each transaction affects at least two accounts, one debited and the other credited. (07-11, Dated November 25, 2007, p. 4)
- **Principle of consistency:** It implies the continuous application of rules and methods for evaluating items and presenting information. (Muzarin, 2021, p. 19)
- **Principle of continuity:** This principle emphasizes that financial statements should be prepared based on the assumption of the entity's continued operation in the future. (156-08, Dated May 26, 2008, p. 11) It serves as the foundation for justifying measurement and valuation rules, especially regarding fixed assets and liabilities. (Mandou, 2008, p. 25)
- **Principle of independence of accounting periods:** This principle states that each financial result is independent of the preceding and succeeding years. (Muzarin, 2021, p. 19)

Principles related to measurement:

- **Historical cost principle:** The significance of this principle lies in the fact that historical cost is more truthful, objective, reliable, and verifiable. (Friedrich, 2007, p. 56)
- **Principle of monetary unit stability:** The Algerian dinar is the unit for recording transactions. (Youcef, 2016, p. 28)
- **Principle of prudence:** Reasonable estimation of facts and circumstances of doubt aimed at avoiding risks that could impact the entity's assets or results. (Taleb, 2020, p. 39)
- **Principle of non-compensation:** This principle is based on the prohibition of offsetting between the assets and liabilities of the entity or between its revenues and costs. (Youcef, 2016, p. 29)

Principles related to communication:

- **Principle of relative importance:** Relative importance is a comprehensive concept related to the qualitative characteristics of relevance and reliability. (Hamad, 2002, p. 51)
- **Principle of faithfulness:** Providing a closer depiction of the economic reality of the entity. (Youcef, 2016, p. 30)
- **Principle of consistency:** Refers to the application of the same accounting methods in previous, current, and future periods. (Kahlosh, 2015, p. 43)
- **Principle of economic substance over legal form:** Transactions are recorded in the books of the entity according to their nature, without solely adhering to their legal form. (Taleb, 2020, p. 40)

The Second Axis: Professional Ethics Rules for Accountants

Accountants are required to adhere to ethical behavior in their profession in order to achieve the desired development and progress. This leads to fostering collaboration among auditors and instilling trust and assurance in the minds of users of accounting information.

In 1990, the International Federation of Accountants (IFAC) established a Code of Ethics for Professional Accountants, which was revised in 1998. Its aim is to enhance the presence and credibility of the profession at the international level, making the issue of differences and variations less significant. (Dahdouh, 2012, p. 85)

The Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA) is considered the primary source of ethical rules for the profession. This code includes non-authoritative guidelines, which are not intended to be comprehensive or necessarily define best practices. For example, they may be presented to the public before issuance. (Whittington, 2016, p. 74)

First: Professional Ethics Rules of the International Ethics Standards Board for Accountants (IESBA):

According to the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), professional accountants, including external auditors, are required to comply with a set of principles, which are as follows:

- 1. Integrity:** Acting honestly and diligently to maintain the public's trust and confidence.
- 2. Objectivity:** Avoiding conflicts of interest and ensuring impartiality in professional judgments.
- 3. Professional competence and due care:** Acquiring and maintaining the necessary knowledge and skills to provide services competently and diligently.
- 4. Confidentiality:** Respecting the confidentiality of information acquired during professional work, unless there is a legal or professional duty to disclose it.
- 5. Professional behavior:** Complying with relevant laws and regulations and avoiding any conduct that may discredit the profession.

These principles serve as a foundation for ethical behavior in the accounting profession and guide accountants in maintaining the highest standards of integrity and professionalism.

Table 1: Professional Code of Conduct at the International and Local Levels

Integrity	Accountants are required to be honest and truthful in all professional areas and business relationships.
Objectivity	Preventing bias, conflicts of interest, or undue influence from others that could compromise professional or business judgments.
Professional	Maintaining professional knowledge and skill at the required level to

Competence	ensure that clients receive professional services that are relevant to current developments in practice, legislation, and technology, working diligently and in accordance with applicable technical and professional standards.
Confidentiality	Respecting the confidentiality of information acquired as a result of professional and business relationships, and therefore not disclosing such information to third parties unless there is a legal, professional, or ethical right or duty to disclose, and not using the information for personal gain.

Source: Adapted by the researchers based on (IESBA, 2013, p. 12)

Secondly: Professional Code of Conduct for Accountants in Algeria

The Algerian legislator did not establish a separate and direct code of professional conduct for accountants. Instead, it is addressed through a set of legislations and laws aimed at regulating the accounting profession.

– **Professional Competence:** Accountants must hold a university degree or an equivalent foreign degree in order to be eligible to participate in the training competition. (11-72, Dated February 16, 2011, p. 5) Only candidates who have obtained a minimum average of 10/20 in the specialized training course offered by the institutions under the Ministry of Vocational Training are eligible to undertake professional internship as per the conditions specified in this decree. (11-393, Dated November 24, 2011, p. 18)

– **Integrity:** The legislator addresses the integrity of accountants, stating that members of the professional association must demonstrate a high degree of integrity in the performance of their duties and be mindful, in their personal and professional lives, to avoid any actions that may compromise the dignity and honor of the profession. They are especially required to perform their duties with strictness and composure, and the procedures should be based on the standards published by the professional association or generally accepted rules. (96-136, Dated April 15, 1996, p. 5)

– **Objectivity:** Independence and objectivity are addressed in Articles 04 and 05 of the same Law 96-136. Professionals, whether accountants, auditors, or accounting experts, are required to carry out their work with care and in accordance with professional standards, taking into consideration the principles of prudence, caution, loyalty, and required legality. When performing their duties related to accounting, preparing financial statements, auditing, and accounting control, as well as tax and corporate statements, professionals must comply with the following in the management board: (96-136, Dated April 15, 1996, p. 5) The

Professional Code of Conduct in Algeria does not exist as a separate and direct document. Instead, it is addressed through various laws and executive decrees that aim to regulate the accounting profession.

– **Professional Secrecy:** Article 71 of Law No. 10-01 stipulates that "accounting experts, accountants, and certified accountants are required to maintain professional secrecy under the penalties provided for in Articles 301 and 302 of the Penal Code. They are subject to the same obligations as accounting experts, accountants-in-training, as well as users of accounting experts and certified accountants." (10-01, Dated June 29, 2010, p. 11)

The Algerian legislator has addressed professional conduct rules in some laws and executive decrees, focusing on four principles: professional competence, integrity, objectivity, and professional secrecy. The Algerian legislator also made it clear that violation of these rules exposes individuals to a range of punitive measures.

Thirdly: Objectives of Ethical Conduct

The main objective of the Code of Ethics is to respect the rules and principles outlined in the code. In cases where local requirements conflict with the provisions of these rules and principles, national requirements prevail. The Code of Ethics is defined as the objectives of the auditing profession, aiming to reach the highest professional standards. To achieve these objectives, four main needs must be addressed: (Dahdouh, 2012, pp. 85-86)

– **Credibility:** There is a societal need for credibility in information systems and the information itself.

– **Professionalism:** There is a need for clear identification of professional individuals by employers, clients, and other interested parties, as professional individuals in the auditing field.

– **Service Quality:** There is a need to ensure that the services provided by professional auditors are of the highest quality.

– **Trust:** The parties using these services should have confidence, achieved through an ethical framework that regulates working conditions.

The third axis: Analysis of the questionnaire survey results

The questionnaire survey was divided into two parts, followed by testing the study hypotheses.

First: Descriptive variables of the study sample

The following table illustrates the descriptive variables of the study sample.

Table (2): Descriptive Variables of the Study Sample Individuals

Statement		Frequency	Percentage
Educational qualification	Bachelor's degree	63	20.93%
	Master's degree	79	26.24%
	Master's degree	77	15.58%
	Phd	82	27.24%
Job postion	Certified accountant	88	29.23%
	Manager	39	12.95%
	Internal and external auditor	78	25.91%
	Specialized university professor	96	31.89%
Professional experience	Less than 5 years	92	30.56%
	From 5 to 10 years	97	32.22%
	More than 10 years	112	37.20%

Source: Prepared by the researchers based on the outputs of SPSS.V 23

From the table above, it can be observed that the sample individuals hold university degrees, indicating their ability to understand the questionnaire and respond to it. Additionally, individuals in the sample have a relationship with the accounting profession.

Secondly, the variable of professional ethics rules for accountants

This part was divided into three sections, each containing several statements. Using the Likert five-point scale, the results of this variable are presented in the following financial table:

Table (3): Results of measuring statements related to the variable of professional ethics rules for accountants.

Number	Statement	Mean	Standard deviation
Honestly			
1	The accountant cares about the honor of his profession and refrains from engaging in actions that may harm it	3.37	0.797
2	The accountant adds credibility to	3.55	0.855

	accounting information		
3	The accountant demonstrates honesty in all professional domains	3.67	0.884
Objectivity			
4	The accountant is capable of avoiding non-professional pressures while performing his duties	3.42	0.906
5	The accountant adheres to professional regulations	3.37	0.822
6	The accountant has the ability to prioritize the client's interests over personal interests	3.59	0.778
Professional competence			
7	The accountant excels at providing forecasts about the future	4.01	0.904
8	The accountant has the necessary qualifications to efficiently carry out accounting tasks	3.73	0.901
9	The accountant possesses professional experience that	4.03	0.789

	enables him to perform his tasks with a high level of proficiency		
10	The accountant possesses professional experience that enables him to perform his tasks with a high level of proficiency	4.08	0.846
Confidentiality			
11	The accountant is committed to preserving client	3.59	0.755
12	The accountant is careful not to exploit the client's confidential information for personal gain	0.823	0.823

Source Compiled by the researchers based on the outputs of SPSS V23

Third: Variable of Principles of the Algerian Financial Accounting System

This part was divided into three sections, each section containing several statements. Using the Likert five-point scale, the results of this variable are as shown in the financial table:

Table 4: Results of measuring the statements related to the variable of Principles of the Algerian Financial Accounting System.

Number	Statement	Mean	Standard deviation
Principles related to Disclosure			
1	Professional ethics allow accountants to apply the principle of double-entry bookkeeping effectively.	3.67	0.906

2	Professional ethics contribute to the consistent application of rules and methods for evaluating items and presenting information.	3.43	0.854
3	Professional ethics assist in preparing financial statements that demonstrate the continuity of the entity's operations.	3.78	0.839
4	Professional ethics require each accounting period to bear its costs and revenues.		
Principles related to Measurement			
5	Professional ethics allow accountants to apply the principle of historical cost.	3.34	0.903
6	Professional ethics enable accountants to avoid the risk that could affect the valuation of the entity's assets or results.	3.73	0.864
7	Professional ethics reinforce the prohibition of offsetting between the assets and liabilities of the entity or between its revenues and expenses	3.48	0.798
Principles related to Communication			
8	Professional ethics help provide relevant qualitative characteristics of information, including relevance and reliability.	3.46	0.913
9	Professional ethics enable accountants to present a closer depiction of the economic	4.04	0.856

	reality of the entity.		
10	Professional ethics empower accountants to promote the consistent application of accounting methods in previous, current, and future periods.	3..79	0.776
11	Professional ethics assist in recording transactions in the entity's books according to their nature, rather than solely focusing on their legal form	3.74	0.697

The source: Compiled by the researchers based on the outputs of SPSS V23

Thirdly: Testing the Study Hypotheses

Prior to assessing the impact of these hypotheses, the correlation between the professional behavior standards of accountants and the enhancement of implementing the principles of the Algerian financial accounting system was examined. This assessment was conducted at a significance level of 0.05 using the Pearson correlation coefficient (R). The Pearson correlation coefficient is employed to gauge the level of correlation between two variables, represented by the symbol (R). Its values range between +1 and -1.

The following table presents the results of the analysis performed to test the simple linear regression, which examines the influence of the variable "professional behavior standards of accountants" on the promotion of implementing the principles of the Algerian financial accounting system:

Table 5: Simple Linear Regression Model – Relationship between the Variable of Professional Ethics for Accountants and the Variable of Principles of the Algerian Financial Accounting System

Significance of the College in the Simple		Regression Model		Correlation Coefficient	Coefficient of Determination	Outcome of the Impact Relationship	Significance of the Regression Coefficient			Coefficient
		F-value	(SIG)	R	R ²	Exists	B	T	SIG	A
(X)		511.304	0.000	0.832	0.667		0.767	7.008	0.000	0.848
(X1)		317.277	0.000	0.767	0.589		0.643	10.23	0.000	1.132

(X2)	(Y)	343.463	0.000	0.732	0.577		0.674	8.861	0.000	1.206
(X3)		376.429	0.000	0.754	0.639		0.679	9.138	0.000	1.212
(X4)		446.598	0.000	0.778	0.648		0.672	18.32	0.000	1.118

(X): Variable for Professional Ethics Standards for Accountants, (y): Variable for Principles of the Algerian Financial Accounting System

(X1): Integrity

(X2): Objectivity

(X3): Professional Competence

(X4): Professional Secrecy

Source: Prepared by researchers based on SPSS.V 23 outputs

1 –Testing the Main Hypothesis

Research Hypothesis Statement: There is a statistically significant impact of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system at a significance level of 0.05.

Statistical Hypotheses:

Null Hypothesis: There is no statistically significant impact of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system at a significance level of 0.05.

Alternative Hypothesis: There is a statistically significant impact of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system at a significance level of 0.05.

From the previous table, it can be observed that the calculated significance level is 0.000, which is less than 0.05. The correlation coefficient (R) has a value of 0.832, indicating a positive relationship with a strong correlation between professional ethics standards for accountants as an independent variable and the principles of the Algerian financial accounting system as a dependent variable. The previous table also includes the simple linear regression model showing the relationship between (the variable of professional ethics standards for accountants) and (the variable of the principles of the Algerian financial accounting system), which can be explained as follows:

A. Testing the Significance and Impact Relationship between the Variables (Statistical Significance at 0.05):

– **Significance of the correlation between the variables:** Through the F-test result, we find that the calculated F-value is 511.304, with a corresponding significance value (SIG) of

0.000, which is less than the significance level of 0.05. This indicates the presence of a statistically significant relationship between the variables at a significance level of 0.05.

– Significance of the impact between the variables (significance value of 0.767):

Through the T-test result, we find that the calculated T-value is 7.008, with a corresponding significance value (SIG) of 0.000, which is less than the significance level of 0.05. This indicates the presence of a significant (statistical) positive impact. From the statistically significant results, it can be concluded that there is a significant relationship and impact of the variable of professional ethics standards for accountants on the quality of accounting information.

B. Economic Interpretation of the Determination Coefficient (R^2) and Regression Coefficient (B): From the previous table, we find:

– Interpretation of the contribution ratio (R^2) between the variables: The estimated coefficient of determination (R^2) is 0.667, indicating that the variable of professional ethics standards for accountants contributes by 66.7% to the variations in the quality of accounting information from the respondents' perspective, while the remaining percentage is attributed to other factors.

– Interpretation of the Impact Value (Regression Coefficient B between the variables): The mentioned regression coefficient value in the table above, estimated at ($B = 0.767$), is positive. This indicates that if the levels of interest in professional ethics standards for accountants increase by one unit, it leads to an increase in the principles of the Algerian financial accounting system by 0.767 units. This is a significantly high value, which gives us a clear idea of the importance of focusing on professional ethics standards for accountants by accountants and the resulting increase in the levels of the Algerian financial accounting system principles.

Therefore, the regression equation can be expressed as follows:

$$Y = 0.767X + 0.848$$

From this, we can conclude the decision regarding the first main hypothesis: We reject the null hypothesis and accept the alternative hypothesis. Hence, there is a statistically significant impact of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system at a significance level of 5%.

– Testing the First Sub-Hypothesis:

Research Hypothesis Statement: There is a statistically significant impact of the integrity dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system.

Since the research hypothesis is being tested at a significance level of 0.05, it is necessary to rephrase it into statistical hypotheses: the null hypothesis (no effect) and the alternative hypothesis as follows:

Statistical Hypotheses:

Null Hypothesis: There is no statistically significant impact of the integrity dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system. **Alternative Hypothesis:** There is a statistically significant impact of the integrity dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system. From the previous table, it can be observed that the calculated significance level is 0.000, which is less than 0.05. The correlation coefficient (R) has a value of 0.767, indicating a positive relationship with a strong correlation between integrity as an independent variable (part of professional ethics standards for accountants) and the principles of the Algerian financial accounting system as a dependent variable.

The previous table also includes the simple linear regression model showing the relationship between the integrity dimension and the variable of the principles of the Algerian financial accounting system, which can be explained as follows:

A. Testing the Significance and Impact Relationship between the Variables (Statistical Significance at 0.05):

– **Significance of the correlation between the variables:** Through the F-test result, we find that the calculated F-value is 317.277, with a corresponding significance value (SIG) of 0.000, which is less than the significance level of 0.05. This indicates the presence of a statistically significant relationship between the variables at a significance level of 0.05.

– **Significance of the impact between the variables (significance value of 0.767):** Through the T-test result, we find that the calculated T-value is 7.008, with a corresponding significance value (SIG) of 0.000, which is less than the significance level of 0.05. This indicates the presence of a significant (statistical) positive impact.

From the statistically significant results, it can be concluded that there is a significant statistically significant relationship and impact of the integrity dimension of professional ethics standards for accountants on the principles of the Algerian financial accounting system.

B. Economic Interpretation of the Determination Coefficient (R^2) and Regression Coefficient (B): From the previous table, we find:

– **Interpretation of the contribution ratio (R^2) between the variables:** The estimated coefficient of determination (R^2) is 0.667, indicating that the integrity dimension of

professional ethics standards for accountants contributes by 55.4% to the variations in enhancing the implementation of the principles of the Algerian financial accounting system from the respondents' perspective, while the remaining percentage is attributed to other factors.

– Interpretation of the impact value (Regression Coefficient B between the variables: The mentioned regression coefficient value in the table above, estimated at ($B = 0.767$), is positive. This indicates that if the levels of interest in integrity increase by one unit, it leads to an increase in the principles of the Algerian financial accounting system by 0.767 units. This is a significantly high value, which gives us a clear idea of the importance of focusing on integrity by accountants and the resulting increase in the levels of the Algerian financial accounting system principles.

Therefore, the regression equation can be expressed as follows:

$$Y = 0.643X_1 + 1.132$$

From this, we can conclude the decision regarding the first sub-hypothesis: We reject the null hypothesis and accept the alternative hypothesis. Hence, there is a statistically significant impact of the integrity dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system.

–4– Testing the Third Sub-Hypothesis:

Research Hypothesis Statement: There is a statistically significant impact of the professional competence dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system.

The statistical hypotheses for testing this research hypothesis at a significance level of 0.05 can be formulated as follows:

Null Hypothesis: There is no statistically significant impact of the professional competence dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system.

Alternative Hypothesis: There is a statistically significant impact of the professional competence dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system.

From the previous table, it can be observed that the calculated significance level is 0.000, which is less than 0.05. The correlation coefficient (R) has a value of 0.754, indicating a positive relationship with a strong correlation between professional competence as an independent variable (part of professional ethics standards for accountants) and the principles of the Algerian financial accounting system as a dependent variable.

The previous table also includes the simple linear regression model showing the relationship between the professional competence dimension and the variable of the principles of the Algerian financial accounting system, which can be explained as follows:

A. Testing the Significance and Impact Relationship between the Variables (Statistical Significance at 0.05):

– **Significance of the correlation between the variables:** Through the F-test result, we find that the calculated F-value is 376.429, with a corresponding significance value (SIG) of 0.000, which is less than the significance level of 0.05. This indicates the presence of a statistically significant relationship between the variables at a significance level of 0.05.

– **Significance of the impact between the variables (significance value of 0.679):** Through the T-test result, we find that the calculated T-value is 9.138, with a corresponding significance value (SIG) of 0.000, which is less than the significance level of 0.05. This indicates the presence of a significant (statistical) positive impact.

From the statistically significant results, it can be concluded that there is a significant statistically significant relationship and impact of the professional competence dimension of professional ethics standards for accountants on the principles of the Algerian financial accounting system.

B. Economic Interpretation of the Determination Coefficient (R^2) and Regression Coefficient (B): From the previous table, we find:

– **Interpretation of the contribution ratio (R^2) between the variables:** The estimated coefficient of determination (R^2) is 0.639, indicating that the professional competence dimension of professional ethics standards for accountants contributes by 63.9% to the variations in enhancing the implementation of the principles of the Algerian financial accounting system from the respondents' perspective, while the remaining percentage is attributed to other factors.

– **Interpretation of the impact value (Regression Coefficient B between the variables):** The mentioned regression coefficient value in the table above, estimated at (B = 0.679), is positive. This indicates that if the levels of interest in professional competence increase by one unit, it leads to an increase in the principles of the Algerian financial accounting system by 0.679 units. This is a significantly high value, which gives us a clear idea of the importance of focusing on professional competence by accountants and the resulting increase in the levels of the Algerian financial accounting system principles. This result supports the theoretical framework of the study.

Therefore, the regression equation can be expressed as follows:

$$Y = 0.679X_3 + 1.212$$

From this, we can conclude the decision regarding the third sub-hypothesis: We reject the null hypothesis and accept the alternative hypothesis. Hence, there is a statistically significant impact of the professional competence dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system.

– 5_Testing the Fourth Sub-Hypothesis:

Research Hypothesis Statement: There is a statistically significant impact of the confidentiality dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system.

The statistical hypotheses for testing this research hypothesis at a significance level of 0.05 can be formulated as follows:

Null Hypothesis: There is no statistically significant impact of the confidentiality dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system.

Alternative Hypothesis: There is a statistically significant impact of the confidentiality dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system.

From the previous table, it can be observed that the calculated significance level is 0.000, which is less than 0.05. The correlation coefficient (R) has a value of 0.778, indicating a positive relationship with a strong correlation between confidentiality as an independent variable (part of professional ethics standards for accountants) and the principles of the Algerian financial accounting system as a dependent variable.

The previous table also includes the simple linear regression model showing the relationship between the confidentiality dimension and the variable of the principles of the Algerian financial accounting system, which can be explained as follows:

A. Testing the Significance and Impact Relationship between the Variables (Statistical Significance at 0.05):

– **Significance of the correlation between the variables:** Through the F-test result, we find that the calculated F-value is 446.598, with a corresponding significance value (SIG) of 0.000, which is less than the significance level of 0.05. This indicates the presence of a statistically significant relationship between the variables at a significance level of 0.05.

– **Significance of the impact between the variables (significance value of 0.711):** Through the T-test result, we find that the calculated T-value is 18.32, with a corresponding

significance value (SIG) of 0.000, which is less than the significance level of 0.05. This indicates the presence of a significant (statistical) positive impact. From the statistically significant results, it can be concluded that there is a significant statistically significant relationship and impact of the confidentiality dimension of professional ethics standards for accountants on the principles of the Algerian financial accounting system.

B. Economic Interpretation of the Determination Coefficient (R^2) and Regression Coefficient (B): From the previous table, we find:

– **Interpretation of the contribution ratio (R^2) between the variables:** The estimated coefficient of determination (R^2) is 0.648, indicating that the confidentiality dimension of professional ethics standards for accountants contributes by 64.8% to the variations in enhancing the implementation of the principles of the Algerian financial accounting system from the respondents' perspective, while the remaining percentage is attributed to other factors.

– **Interpretation of the impact value (Regression Coefficient B between the variables):** The mentioned regression coefficient value in the table above, estimated at ($B = 0.672$), is positive. This indicates that if the levels of interest in confidentiality increase by one unit, it leads to an increase in the principles of the Algerian financial accounting system by 0.672 units. This is a significantly high value, which gives us a clear idea of the importance of focusing on confidentiality by accountants and the resulting increase in the levels of the Algerian financial accounting system principles. This result supports the theoretical framework of the study.

Therefore, the regression equation can be expressed as follows:

$$Y = 0.672X_4 + 1.118$$

From this, we can conclude the decision regarding the fourth sub-hypothesis: We reject the null hypothesis and accept the alternative hypothesis. Hence, there is a statistically significant impact of the confidentiality dimension of professional ethics standards for accountants on enhancing the implementation of the principles of the Algerian financial accounting system.

Conclusion

The accounting profession in Algeria has witnessed several reforms in recent years, leading to the adoption of international accounting standards. These standards enable accountants who possess professional experience, competence, and training to record the accounting transactions related to the organization's activities, providing an accurate and clear depiction of its economic events through the application of financial accounting principles. Accountants are also required to adhere to laws and regulations that contain detailed

information about the function of accounting, especially those related to professional code of conduct. Although the Algerian legislature has not explicitly clarified these rules, it has implicitly referred to them in various decrees and appendices regulating the profession. Therefore, accountants must comply with these rules to avoid being held accountable for non-compliance.

Study Results

The most important findings of this study can be summarized as follows:

1. Accountants in Algeria work according to a scientific approach governed by several rules and regulations to ensure the proper performance of their accounting function.
2. Accountants also work based on the principles and code of professional conduct, which specify the behaviors they should embody and adhere to.
3. The professional code of conduct for accountants includes integrity, objectivity, professional competence, confidentiality, and professional secrecy.
4. The professional code of conduct for accountants has a greater impact on the outcomes of the financial accounting system, particularly in generating high-quality accounting information presented in financial statements.
5. There is a significant influence of the professional code of conduct for accountants on the application of Algerian financial accounting principles, as each dimension of the professional code of conduct has a significant impact on enhancing these principles.

Recommendations

Based on the study's findings, the following recommendations are suggested:

1. Algerian regulatory bodies overseeing the profession should keep up with the changes in international accounting standards, which allow for modifications to certain principles of the financial accounting system, with particular emphasis on the historical cost principle, which is no longer compatible with the new developments.
2. It is necessary to enhance communication between professionals and academics to provide practical solutions to various issues related to the application of financial accounting principles.
3. Organize conferences and seminars aimed at raising awareness among accountants about the role they play in promoting the application of financial accounting principles.
4. Develop training courses for accountants in the event of adopting new standards for the accounting profession to ensure a clear understanding and effective implementation.

5. Accelerate the adoption of the remaining accounting standards, as their collective benefits are greater when they are implemented together, especially considering that the standards complement each other.

6. Raise awareness among accountants about compliance with ethical rules when performing their tasks.

Future Perspectives

The study suggests the following future research perspectives:

1. Study the current state and future perspectives of Algerian financial accounting principles in light of contemporary global developments.

2. Investigate the ethical role of internal auditors in enhancing the application of financial accounting principles.

3. Examine the impact of adopting international accounting standards on improving the quality of accounting information.

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