

# The Reflections of financial inclusion for improving the efficiency and quality of financial reporting in the banking sector

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**Abstract :** This study addressed the implications of financial inclusion on Financial reporting efficiency in the banking sector, and how customers' use of financial services and the quality of services provided can improve the quality of published financial reports. It also aimed to determine the extent of financial inclusion's ability to disclose them, and its impact on business efficiency in commercial banks, through the contributions of the technological revolution in the field of software used in the banking sector. The study also used the descriptive approach using the case study method, and statistical analysis was used in the study using the SPSS.26 program to test the relationship between the study variables. The study reached the most important conclusions, which is the existence of a strong influence and correlation between the role of financial inclusion in improving the efficiency of financial reporting in banks. Therefore, the study recommended that individuals who receive continuous financial training and education, which reflects the existence of effective efforts to enhance financial awareness, contribute to enhancing financial inclusion, which leads to a positive impact on the efficiency of financial reporting, and helps users in how to use financial products and their knowledge of basic financial concepts.

**Keywords:** Financial inclusion, banking sector, financial reporting ,financial services, reporting quality.

## 1. Introduction :

Financial inclusion is a concept that has recently gained widespread traction through the provision of financial services that play a role in the work of financial institutions. These services are provided by banks, and the impact of financial inclusion on the performance of financial institutions in terms of the efficiency of financial reporting is being explored. This is achieved by expanding the scope of financial and advisory services and technical support to help reach a large number of people, and by extending the services provided by banks to specific categories of savers or low-income individuals who do not deal with banks. This is achieved by providing them with special services, which places the financial transactions of this segment of society under official oversight, protecting them from manipulation that may occur due to their ignorance of financial services and financial information. This is in addition to enhancing and developing online and mobile banking services to ensure ease of use and meet the needs of customers more effectively.

The problem of the study lies in the increasing awareness of the financial inclusion services provided by banks to customers and stakeholders through the communication of information about financial activities to users. This information is used in financial reports. Disclosing these reports transparently, with high quality and accuracy, and conducting periodic surveys to assess customer satisfaction with account opening services and procedures, impacts the efficiency of the final published financial reports prepared by banks. This helps users make decisions based on their feedback.

The study aims to demonstrate that financial inclusion has a clear and effective impact on the efficiency of financial reports, reflecting its positive impact on the quality of financial services provided to customers and improving them in the future through the disclosure and transparency of information in final financial reports.

The research sample consisted of a case study approach for the banking sector, and statistical analysis was used in the study. The researcher relied on the analytical inductive approach, which does not stop at collecting information to describe the phenomenon, but rather moves to analyze it and uncover the relationships between its dimensions. This approach clearly has merit in such research, as it allows the researcher to describe and analyze the field.

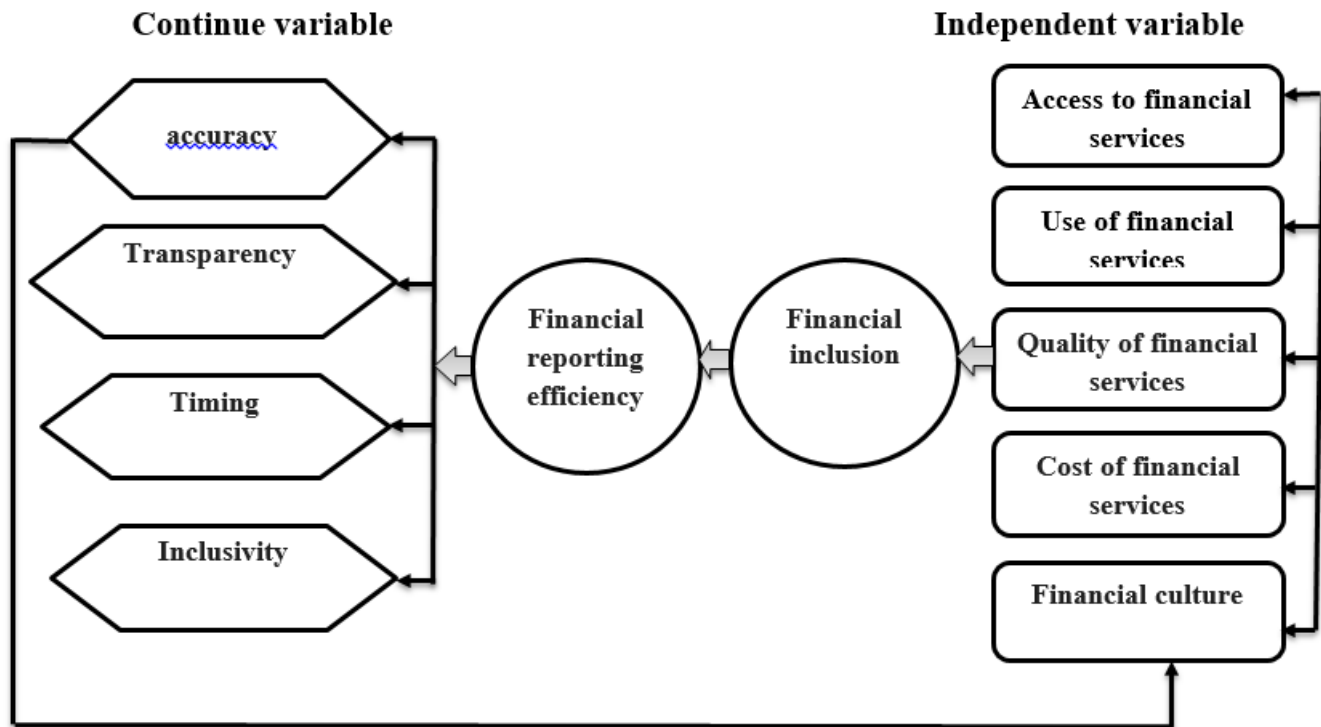


Figure 1. Scheme default search

## 2. Financial inclusion -Theoretical Background

### 2.1. The concept of financial inclusion:

Financial inclusion is a process by which a wide range of financial services and products are provided that are timely, affordable, sufficient, and wide-ranging, and that provide diversity to meet the needs of their beneficiaries. These services and products are characterized by fairness and transparency . Ibrahim, & Al-Saidi ( 2018). Marai, & Abdul Rahman (2012) described it as the ability of individuals and companies to obtain useful financial services and products that meet their needs in terms of transactions, payments, savings, credit, and insurance on a permanent and supervised basis. These services and products are provided on a wide scale to include all individuals and companies in society, especially marginalized and low-income groups. Satar Lafta, (2019) defined it as the measures taken by regulatory authorities to enhance access to financial services and products to their beneficiaries in a manner that suits their needs. The responsibility for providing these services and products falls on central banks, which must develop a strategy that includes preparing the legislative environment, the appropriate infrastructure, establishing the necessary databases, and establishing procedures to achieve financial protection.

It is a concept that aims to broadly disseminate financial and banking services at reasonable costs to the largest possible number of communities, institutions, and individuals, particularly low-income segments of society. Zakaria Muhammad, ( 2015).

### 2.2. The importance of financial inclusion:

The importance of enhancing financial inclusion levels to ensure access to financial services will positively impact the economic environment, contributing to mitigating the risks of financial institutions and banks. In general, the effects of increasing financial inclusion levels can be summarized in the following main points : Idaat Magazine, (2016).

1- Financial system stability: Increasing the population's use of financial services will certainly contribute to the stability of the financial system. Greater use of the formal financial system will diversify banks' deposit portfolios, reduce concentration levels, and reduce the risks these institutions face. This, in turn, will contribute to the stability of countries' economic systems

2- Automation of the financial and banking system: Expanding the reach of financial services and increasing their usage rates requires further automation of these services. This will attract more users, given the growing information technology in the world, allowing payments to be made faster and at a lower cost. Automating various payments will also create an opportunity for more individuals to use the formal financial system.

### **2.3. Financial inclusion goals:**

Financial inclusion is not an end in itself, but rather a means to achieve a set of main objectives, which are as follows: Al-Samarrai, (2018).

- 1- It helps individuals to start and expand their own businesses, invest in education, manage risks and absorb financial shocks.
- 2- Providing alternative services to the financially excluded contributes to spreading banking awareness and financial culture through the participation of all concerned parties.
- 3- Enhancing access to financial services for all segments of society, educating citizens about the importance of financial services and how to access and benefit from them to improve their social and economic conditions. Ajur,( 2017).

### **3.Challenges facing financial inclusion**

There are many challenges facing financial inclusion, including the challenges facing its implementation at the global level, which are as follows: Lenka & Barik, (2018).

- 1- High rates of financial illiteracy, which results in some customers being ignorant of the banking services provided.
- 2- Low level of banking awareness among some customers when dealing with official financial institutions. Bongomin, (2017) .
- 3- Poor geographical distribution of banks and ATMs, especially in villages and remote areas.
- 4- The high cost of conducting financial transactions, whether opening a bank account or dealing with an ATM.
- 5- Weak promotional efforts for financial inclusion policies to highlight the benefits that would accrue to citizens and the state if implemented.
- 6- Low level of customer or citizen confidence in banking services, and here comes the role of financial inclusion in improving and enhancing them.
- 7- The high unemployment rate represents a burden on the state in employing these young people. Abdul Dayem, &Salwa Abdel Rahman, (2019).

### **3.1. Factors that help increase financial inclusion rates in the banking sector:**

There are many factors that help raise financial inclusion rates in any country's banking sector, including: Ahmed , (2024).

- 1- Banking partnerships: This involves banks contracting with retail branches and stores to increase bank card and e-money transactions. These branches become agents for the financial services provided by banks, which significantly helps improve financial inclusion and increase its rates. Information technology has helped achieve this by reducing the costs and risks of financial transfers.
- 2- Benefiting from technological and information developments: by increasing the availability of channels for delivering financial services to the poor and facilitating money transfers, especially by reducing the cost of these services.
- 3- Restructuring government banks to give them more opportunities to improve their services and leverage their branch network to deliver banking services to a greater number of individuals, especially the poor.

### **4.Concept of financial reports:**

Financial reports represent the primary means of management in communicating with parties interested in the company's activities. The published financial statements and reports are considered the final product and one of the most important means through which financial information is communicated, enabling users (internal and external users) of the financial statements and reports to identify the financial information, financial position and investments of banks, which helps them make financial decisions. Hamad, (2010). Hassan, (2017).

#### **4.1 Financial reporting objectives :**

Through published financial statements and reports, companies seek to achieve a number of goals: Sarma, & Mandira, (2008).

- 1- It provides information about the financial position of the reporting company, information about the company's economic resources, and information about the effects of transactions and other events that change those resources and claims on them.
- 2- It provides information about how the company generates cash flows and how it spends those cash flows, including information about its loans, debt repayments, cash dividends, or other distributions to the company's investors, the company's operations, the evaluation of its financing and investing activities, the evaluation of its liquidity and solvency, and the interpretation of other information about financial performance.
- 3- Providing information that helps rationalize investment and credit decisions that benefit future flows, and about management responsibility and evaluating the efficiency of its performance.

#### **4.2 Components of financial reporting quality:**

- 1- The report summary provides a summary of the most important items presented in the income statement and the balance sheet.
- 2- Letter to shareholders, which presents the company's objectives, strategy, and achievements, as well as a description of the company's most important services and products, the facilities it provides, and its employees. Clyed p. Stickne. (2010) , Central Bank of Egypt (2016).
- 3- The integrated financial report provides a clear plan for banks by developing an integrated strategy on how to provide financial services to all customers.
- 4- The quality of financial reports helps users evaluate the level of services that banks can provide by providing information about financial resources and how banks will finance their activities in the future. Fadhel, & Mustafa Abbas, (2022).

### **5. Practical - Testing the research hypothesis:**

#### **5.1 Coding of research dimensions and testing of validity and reliability :**

Table (1) shows the description and coding of the research variables to ensure accuracy and ease of statistical analysis, as shown below. Reliability refers to the consistency of the research measure and the stability of the results that can be obtained from the measure over different time periods. The construct reliability of the measurement tool is verified using Cronbach's alpha test, and the reliability coefficient of the tool was calculated using Cronbach's alpha coefficient, as shown in Table (1):

**Table (1) Cronbach's alpha test**

Source: Prepared by the researcher based on the results of SPSS.26.

| variable                              | Dimensions                            | Number of paragraphs | symbol   | Cronbach's Alpha | shows that of |
|---------------------------------------|---------------------------------------|----------------------|----------|------------------|---------------|
| <b>Financial inclusion</b>            | Access to financial services          | 5                    | X1       | 0.84             |               |
|                                       | Use of financial services             | 5                    | X2       | 0.74             |               |
|                                       | Quality of financial services         | 5                    | X3       | 0.82             |               |
|                                       | Cost of financial services            | 5                    | X4       | 0.80             |               |
|                                       | Financial culture                     | 5                    | X5       | 0.79             |               |
|                                       | <b>Financial inclusion</b>            | <b>25</b>            | <b>x</b> | <b>0.90</b>      |               |
| <b>Financial reporting efficiency</b> | Accuracy                              | 5                    | Y1       | 0.87             |               |
|                                       | Transparency                          | 5                    | Y2       | 0.82             |               |
|                                       | Timing                                | 5                    | Y3       | 0.72             |               |
|                                       | Inclusivity                           | 4                    | Y4       | 0.89             |               |
|                                       | <b>Financial reporting efficiency</b> | <b>19</b>            | <b>Y</b> | <b>0.91</b>      |               |

Cronbach's alpha coefficient ranged between (0.91-0.72), which is statistically good in administrative and social research because its value is greater than (0.70), which indicates that the tool is characterized by internal consistency and stability.

## 5.2 Descriptive statistics for research dimensions :

Table (2) shows the weighted arithmetic mean and standard deviation around the research dimensions at the overall and sub-levels, with paragraphs (1-25) representing questions related to financial inclusion and paragraphs (26-44) representing the efficiency of financial reports. The financial inclusion dimension achieved an overall average of (3.76), which is higher than the standard average of (3) and tended to be high, which is a natural result reflecting the moderate interest of the surveyed bank in financial inclusion in light of the government's interest and orientation towards electronic banking and financial services. The reasonable dispersion in the answers indicates the homogeneity of the sample individuals around it, with a total standard deviation of (4880.0) . At the level of the sub-dimensions of financial inclusion, represented by access to financial services, use of financial services, quality, cost, and Financial culture, high arithmetic means were achieved (3.83) (3.77) (3.81) (3.63) (3.76), as confirmed by the low standard deviations of (.5508) (.5287) (.5980) (.7063) (.7895).

The overall mean value indicates that the surveyed bank shows moderate interest in financial inclusion. The sample group gave a positive assessment of the availability of financial services. This trend reflects the government's interest in promoting access to banking and electronic financial services. The standard deviation value reflected a reasonable dispersion in the sample's opinions on financial inclusion. Their opinions indicated that financial inclusion is well promoted, reflecting a high level of confidence in the financial system. The sample group found that access to financial services is readily available, which enhances opportunities for

financial inclusion and reflects the effectiveness of government policies in this area. They indicated that the available financial services are well utilised and that they benefit from these services effectively. They consider the quality of financial services to be high, which enhances confidence in the financial system and encourages further use. In addition, the cost of financial services is reasonable, but there may also be room for improvement in pricing to make them more attractive. They also indicated that there is a good level of financial literacy, which helps them make informed financial decisions.

The efficiency of financial reporting achieved an overall average of (3.78), which is higher than the standard average of (3) and tends to rise, with reasonable dispersion in the answers indicating the homogeneity of the sample around it, as the overall standard deviation reached (.4610). At the level of the sub-dimensions of financial reporting efficiency, represented by accuracy, transparency, timeliness, and comprehensiveness, high arithmetic means of (3.81), (3.77), (3.87), and (3.68) were achieved. (3.68), as confirmed by the low standard deviations of (.5592) (.5440) (.5363) (.7112).

The overall mean value indicates that the research sample generally tends to evaluate the efficiency of financial reports positively. This means that the study participants believe that financial reports meet their needs and requirements well. However, there are some differences in the opinions of the sample, but overall, there is consensus on the efficiency of financial reports. In other words, the sample considers the financial information provided to be accurate and reliable. They also believe that financial reports are clear and easy to understand, which enhances their confidence in the information. These reports are provided in a timely manner, which supports the ability to make informed decisions. They include all necessary information but may need improvement.

| Dimension | Arithmetic | Standard deviation | X1      | X2      | X3     | X4     | X5     | X      | Y1     | Y2 | Y3 | Y4 | Y |
|-----------|------------|--------------------|---------|---------|--------|--------|--------|--------|--------|----|----|----|---|
| x1        | 3.83       | .5508              | 1       |         |        |        |        |        |        |    |    |    |   |
| x2        | 3.77       | .5287              | .674**  | 1       |        |        |        |        |        |    |    |    |   |
| x3        | 3.81       | .5980              | .309    | .675**  | 1      |        |        |        |        |    |    |    |   |
| x4        | 3.63       | .7063              | .329    | .246    | .431*  | 1      |        |        |        |    |    |    |   |
| x5        | 3.76       | .7895              | .656**  | .398*   | .457*  | .655** | 1      |        |        |    |    |    |   |
| x         | 3.76       | .4880              | .755**  | .734**  | .734** | .734** | .860** | 1      |        |    |    |    |   |
| y1        | 3.81       | .5592              | 1.000** | .681**  | .452*  | .377   | .705** | .815** | 1      |    |    |    |   |
| y2        | 3.77       | .5440              | .681**  | 1.000** | .780** | .254   | .405*  | .751** | .681** | 1  |    |    |   |

|    |      |       |        |        |         |        |        |        |        |        |        |        |   |
|----|------|-------|--------|--------|---------|--------|--------|--------|--------|--------|--------|--------|---|
| y3 | 3.87 | .5363 | .452*  | .780** | 1.000** | .381   | .433*  | .744** | .452*  | .780** | 1      |        |   |
| y4 | 3.68 | .7112 | .350   | .292   | .462*   | .965** | .615** | .723** | .350   | .292   | .462*  | 1      |   |
| y  | 3.78 | .4610 | .771** | .841** | .836**  | .673** | .697** | .964** | .771** | .841** | .836** | .712** | 1 |

**Table (2) Descriptive statistics indicators and correlation coefficients between  
research dimension**

**Source: Prepared by the researcher based on the results of SPSS.26.**

The table above also includes correlation coefficients between the sub-level and overall research dimensions, all of which are strong and significant. These coefficients indicate the existence of real, rather than random, correlations, reflecting the importance of each dimension in the overall context of the study. When dimensions overlap positively, this enhances the credibility of the results and gives a strong impression of the compatibility of the dimensions in achieving the research objectives. The presence of meaningful correlation coefficients also supports the possibility of generalising the results to similar contexts, adding further value to the research. These relationships therefore provide a strong basis for developing effective strategies that reinforce the dimensions studied, contributing to sustainable and tangible results in the field concerned.

### 5.3 Testing the research hypothesis:

The research hypothesis was based on the expectation that there is a significant effect of financial inclusion and its dimensions on the efficiency of financial reports. From the indicators shown in Table (3), it can be seen that the calculated (F) value between financial inclusion and the efficiency of financial reports reached (211.478), which is greater than its tabulated value of (3.58), at a significance level of (0.000), which is smaller than the significance level of (0.05). Based on this, the hypothesis is accepted, which means that there is a significant effect of financial inclusion on the efficiency of financial reports, as the effect value reached (0.930), which indicates that an increase in financial inclusion by one unit will lead to an increase in the efficiency of financial reporting by (0.930), respectively, as Adj (R<sup>2</sup>) reached (0.925), meaning that financial inclusion is able to explain (0.925), of the efficiency of financial reporting. It is clear from the calculated (t) value of (14.542), which is greater than the tabulated t value of (1.984), at a significance level of (0.000), which is smaller than the significance level at (0.05), indicating that the (β) values are valid, it means that. their effect is real.

**Table (3) Indicators of the impact of financial inclusion on the efficiency of financial reporting**

| Independent variable       | Dependent variable             |               |                |                       |                   |             |             |             |
|----------------------------|--------------------------------|---------------|----------------|-----------------------|-------------------|-------------|-------------|-------------|
|                            | Financial Reporting Efficiency |               |                |                       |                   |             |             |             |
|                            | Sig                            | (t)           | (F)            | Adj (R <sup>2</sup> ) | (R <sup>2</sup> ) | (R)         | (β)         | (α)         |
| <b>Financial inclusion</b> | <b>0.000</b>                   | <b>14.542</b> | <b>211.478</b> | <b>.925</b>           | <b>.930</b>       | <b>.964</b> | <b>.903</b> | <b>.366</b> |

At the sub-dimension level, the tables of statistical analysis indicators are presented as follows:

1.The research hypothesis was based on the expectation that there is a statistically significant effect of access to financial services on the efficiency of financial reporting. From the indicators shown in Table (4), it can be seen that the calculated (F) value between access to financial services and the efficiency of financial reporting reached (23.389), which is greater than its tabulated value of (3.58), at a significance level of (0.000), and less than the significance level of (0.05). Based on this, the hypothesis is accepted, which means that there is a significant effect of access to financial services on the efficiency of financial reporting, with the effect



value reaching (0.771), This indicates that an increase in access to financial services by one unit will lead to an increase in the efficiency of financial reporting by (0.771), respectively, as Adj ( $R^2$ ) reached (0.568), meaning that access to financial services can explain (0.568), of the efficiency of financial reporting. It is evident from the calculated t value of 4.836, which is greater than the tabulated (t) value of (1.984), at a significance level of (0.000), which is smaller than the significance level at (0.05), indicating that the ( $\beta$ ) values are valid, it means that. their effect is real.

**Table (4) Indicators of the impact of access to financial services on the efficiency of financial reporting**

| Independent variable         | Dependent variable             |       |        |               |           |                   |             |              |
|------------------------------|--------------------------------|-------|--------|---------------|-----------|-------------------|-------------|--------------|
|                              | Financial Reporting Efficiency |       |        |               |           |                   |             |              |
|                              | Sig                            | (t)   | (F)    | Adj ( $R^2$ ) | ( $R^2$ ) | (R)               | ( $\beta$ ) | ( $\alpha$ ) |
| Access to financial services | 0.000                          | 4.836 | 23.389 | .568          | .594      | .771 <sup>a</sup> | .635        | 1.366        |

2. The research

hypothesis was based on the expectation that there is a significant effect of the use of financial services on the efficiency of financial reporting. From the indicators shown in Table (5), it can be seen that the calculated (F) value between the use of financial services and the efficiency of financial reporting reached (38.781), which is greater than its tabulated value of (3.58), at a significance level of (0.000), and less than the significance level of (0.05). Based on this, the hypothesis is accepted, which means that there is a significant effect of the use of financial services on the efficiency of financial reporting, as the effect value reached (0.841) This indicates that an increase in the use of financial services by one unit will lead to an increase in the efficiency of financial reporting by (0.841), respectively, as Adj ( $R^2$ ) reached (0.708), meaning that the use of financial services can explain (0.708) of the efficiency of financial reporting. It is clear from the calculated (t) value of (6.227), which is greater than the tabulated t value of (1.984), at a significance level of (0.000), which is smaller than the significance level at (0.05), indicating that the ( $\beta$ ) values are valid, it means that. their effect is real. These results indicate that there is a statistically significant effect of the use of financial services on the efficiency of financial reporting. Increased use of these services enhances reporting efficiency, reflecting the importance of integrating financial services into financial operations to enhance quality and reliability. These results support the research hypothesis and provide strong evidence of the importance of financial services in improving reporting performance.

**Table (5) Indicators of the impact of financial services usage on financial reporting efficiency**

| Independent variable       | Dependent variable             |       |        |               |           |                   |             |              |
|----------------------------|--------------------------------|-------|--------|---------------|-----------|-------------------|-------------|--------------|
|                            | Financial Reporting Efficiency |       |        |               |           |                   |             |              |
|                            | Sig                            | (t)   | (F)    | Adj ( $R^2$ ) | ( $R^2$ ) | (R)               | ( $\beta$ ) | ( $\alpha$ ) |
| Use for financial services | 0.000                          | 6.227 | 38.781 | .690          | .708      | .841 <sup>a</sup> | .713        | 1.093        |

3. The research

hypothesis was based on the expectation that there is a significant effect of financial service quality on financial reporting efficiency. From the indicators shown in Table (6), it can be seen that the calculated (F) value between financial service quality and financial reporting efficiency reached (27.254), which is greater than its tabulated value of (3.58), at a significance level of (0.000), and less than the significance level of (0.05). Based on this, the hypothesis is accepted, which means that there is a significant effect of financial service quality on financial reporting efficiency, with an effect value of (0.836). This indicates that an increase in the quality of financial services by one unit will lead to an increase in the efficiency of financial reporting by (0.836), respectively, as Adj ( $R^2$ ) reached (0.681), meaning that the quality of financial services can explain (0.681), of the efficiency of financial reporting. It is clear from the calculated t value of (6.104), which is greater than the tabulated (t) value of (1.984), at a significance level of



(0.000), which is smaller than the significance level at (0.05), indicating that the ( $\beta$ ) values are valid it means that. their effect is real.

**Table (6) Indicators of the impact of financial service quality on financial reporting efficiency**

4. The research hypothesis was based on the expectation that there is a statistically significant effect of the cost of financial services on the

| Independent variable          | Dependent variable             |              |               |                       |                   |                         |             |              |
|-------------------------------|--------------------------------|--------------|---------------|-----------------------|-------------------|-------------------------|-------------|--------------|
|                               | Financial Reporting Efficiency |              |               |                       |                   |                         |             |              |
|                               | Sig                            | (t)          | (F)           | Adj (R <sup>2</sup> ) | (R <sup>2</sup> ) | (R)                     | ( $\beta$ ) | ( $\alpha$ ) |
| Quality of financial services | <b>0.000</b>                   | <b>6.104</b> | <b>37.254</b> | <b>.681</b>           | <b>.700</b>       | <b>.836<sup>a</sup></b> | <b>.719</b> | <b>.999</b>  |

efficiency of financial reporting. From the indicators shown in Table (7), it can be seen that the calculated (F)value between the cost of financial services and the efficiency of financial reporting reached (13.223), which is greater than its tabulated value of (3.58), at a significance level of (0.000), and less than the significance level of (0.05). Based on this, the hypothesis is accepted, which means that there is a significant effect of the cost of financial services on the efficiency of financial reporting, as the effect value reached (0.452), This indicates that an increase in the cost of financial services by one unit will lead to an increase in the efficiency of financial reporting by (0.452), respectively, as Adj (R<sup>2</sup>) reached (0.418), meaning that the cost of financial services can explain (0.418), of the efficiency of financial reporting. It is clear from the calculated (t) value of (3.636), which is greater than the tabulated t value of (1.984), at a significance level of (0.000), which is smaller than the significance level at (0.05), indicating that the ( $\beta$ ) values are valid, it means that. their effect is real.

**Table (7) Indicators of the impact of financial service costs on the efficiency of financial reporting**

| Independent variable       | Dependent variable             |              |               |                       |                   |                         |             |              |
|----------------------------|--------------------------------|--------------|---------------|-----------------------|-------------------|-------------------------|-------------|--------------|
|                            | Financial Reporting Efficiency |              |               |                       |                   |                         |             |              |
|                            | Sig                            | (t)          | (F)           | Adj (R <sup>2</sup> ) | (R <sup>2</sup> ) | (R)                     | ( $\beta$ ) | ( $\alpha$ ) |
| Cost of financial services | <b>0.000</b>                   | <b>3.636</b> | <b>13.223</b> | <b>.418</b>           | <b>.452</b>       | <b>.673<sup>a</sup></b> | <b>.437</b> | <b>2.184</b> |

5. The research

hypothesis was based on the expectation that Financial culture has a significant effect on the efficiency of financial reporting. From the indicators shown in Table( 8), it can be seen that the calculated (F)value between Financial culture and financial reporting efficiency reached (15.084), which is greater than its tabulated value of (3.58), at a significance level of ( 0.000), and less than the significance level of (0.05). Based on this, the hypothesis is accepted, which means that Financial culture has a significant effect on the efficiency of financial reporting, with an effect value of (0.697). This indicates that an increase in financial literacy by one unit will lead to an increase in financial reporting efficiency by (0.697), respectively, as Adj (R<sup>2</sup>) reached (0.453), meaning that financial literacy can explain (0.453) of financial reporting efficiency. It is clear from the calculated (t) value of (3.884), which is greater than the tabulated t value of (1.984), at a significance level of (0.000), which is smaller than the significance level at (0.05), indicating that the ( $\beta$ ) values are valid it means that. their effect is real.

Table (8) Indicators of the impact of financial education on the efficiency of financial reporting

| Independent variable | Dependent variable             |       |        |                       |                   |                   |      |       |
|----------------------|--------------------------------|-------|--------|-----------------------|-------------------|-------------------|------|-------|
|                      | Financial Reporting Efficiency |       |        |                       |                   |                   |      |       |
|                      | Sig                            | (t)   | (F)    | Adj (R <sup>2</sup> ) | (R <sup>2</sup> ) | (R)               | (β)  | (α)   |
| Financial culture    | 0.000                          | 3.884 | 15.084 | .453                  | .485              | .697 <sup>a</sup> | .401 | 2.261 |

### Recommendations

1. To enhance the impact of access to financial services on the efficiency of financial reporting, the bank is advised to expand the scope of financial inclusion by targeting individuals and small and medium-sized enterprises, enhancing the comprehensiveness of financial data and supporting the accuracy of financial reporting. This will be achieved through the necessary procedures for opening accounts, which helps individuals understand the opportunities available to them.
2. Organizing awareness campaigns to introduce individuals to financial inclusion services and launching financial education and awareness programs for the community and the banking sector to raise awareness of the importance of engaging in the formal financial system by providing ongoing advice and support to clients on how to maximize the benefits of financial services, thus enhancing their confidence in the financial system and its impact on financial transparency.
3. Continue to enhance the level of security in transactions, including the use of modern technologies such as encryption and two-factor authentication, to ensure the protection of customer data and promote the use of financial and digital technology in banks and financial institutions to accelerate the flow of information and improve the quality of financial reporting.
4. Encouraging cooperation between banks, regulatory authorities, and fintech companies to develop modern and real-time financial information systems, by developing the digital infrastructure of financial institutions to ensure the accuracy and speed of data collection and processing in financial reports.
5. Adherence to international accounting and regulatory standards when preparing financial reports to ensure their credibility and international comparability, through the role of oversight bodies and regulatory authorities in monitoring the quality of financial reports and ensuring compliance with financial disclosure requirements.
6. Linking financial inclusion policies to the goals of sustainable development and financial stability by adopting more efficient and transparent financial reporting, making it easier for individuals to access information at any time.

### Conclusion

Through the above, some conclusions or conclusions can be summarized which can be summarized as follows:

1. The results indicate that there has been a marked improvement in access to banking services, as individuals can easily open bank accounts through the increasing number of financial institutions opening branches in areas close to the population, which demonstrates these institutions' commitment to meeting the needs of the community by facilitating effective account opening procedures and regularly offering opportunities to open new accounts, reflecting the efforts of financial institutions to promote financial inclusion.
2. Widespread access to online and mobile banking services is a positive sign of the development of financial technology and easier access to financial services, enabling individuals to make frequent withdrawals and deposits without difficulty.
3. The widespread use of credit cards in daily financial transactions to pay for insurance and various financial services such as loans and savings indicates growing awareness and reliance on these financial tools. This enhances the role and efficiency of financial reporting as a strategic tool for decision-making, which contributes to promoting financial inclusion and has a positive impact on the efficiency of financial reporting.
4. The results indicate that the financial services provided effectively meet the needs of individuals, reflecting the ability of banks to understand and meet the requirements of their customers through a high level of trust and security in financial transactions, which supports the confidence of investors, customers and decision-makers through more reliable financial reports.

5. The costs of financial services, such as fees and commissions, are considered reasonable by individuals, reflecting the bank's ability to offer services at competitive prices. This has a significant impact on individuals' decisions to use these services and their ability to pay these costs without hindrance, indicating a good level of access to financial services.

6. The results indicate that individuals who receive ongoing financial training and education reflect effective efforts to promote financial awareness among users on how to use financial services and their knowledge of basic financial concepts, reflecting a good level of financial education available. Through active participation in workshops, educational seminars and educational programmes in the field of financial services.

7. Financial inclusion contributes to reducing the data and information gap by expanding the customer database in the formal financial system, which helps improve the quality and accuracy of financial reports.

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