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Research paper



The Impact of The Transition from Traditional Accounting to Cloud Accounting on The Accuracy of Financial Statements: A Field Study At Rafidain and Rashid Banks/Babylon Branch

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Abstract

The study aims to analyze the impact of the transition from traditional accounting to cloud accounting on the accuracy of financial statements in the banking sector through a field study conducted at the Rafidain and Rasheed Banks, the Babylon branch. The research focuses on evaluating the extent to which cloud-based accounting systems improve the quality of accounting information, reduce errors, and enhance processing efficiency compared to traditional systems. The researcher employed a descriptive-analytical approach, distributing a questionnaire to a sample of accountants and auditors at two banks. The collected data were analyzed using appropriate statistical tools to test the research hypotheses. The findings revealed a statistically significant positive relationship between the adoption of cloud accounting and the enhancement of financial statement accuracy. Cloud technology contributed to minimizing accounting errors, increasing data reliability and transparency, and improving the efficiency of financial operations. The study recommends accelerating the adoption of cloud accounting across other branches of Iraqi banks while ensuring the provision of necessary infrastructure and training for employees to maximize the benefits of this technology in enhancing the accuracy of financial reporting.

Keywords: *Traditional accounting, cloud accounting, financial reporting accuracy*

1. Introduction

With the tremendous advances in information technology and the advent of the information revolution, it has become imperative for economic institutions to keep pace with the demands of the digital revolution to integrate into the increasingly competitive global economy. With the emergence of challenges related to the massive growth in the volume of data and information, as well as the difficulty of managing and controlling it effectively, economic institutions have developed the information technologies they use. Based on this logic, and given that accounting is the language of business, its primary goal is to produce and communicate information in the form of financial statements for decision-making and advanced use (Amal Zayed Khalif, 2024). Cloud accounting has emerged to mitigate the problems and difficulties faced by accounting in the past. Cloud accounting is one of the most essential tools that help institutions organize their accounting work using specialized applications and programs, providing easy access to information at the lowest possible cost. It differs from traditional accounting by automating traditional tasks such as recording transactions and preparing reports, allowing accountants to focus on advisory and administrative aspects (Aboelazm, K.S., 2023). This shift has underscored the importance of analytical skills and the ability to interpret data, which have become integral to the modern accountant's responsibilities. It highlights the role of technology in expanding the scope of the profession and developing its content. In a related context, cloud computing and advanced data storage systems have revolutionized how financial information is accessed and shared. Accountants can now access data from anywhere, at any time, enhancing the concept of flexible work and contributing to improved productivity for individuals and organizations. However, the emergence of new challenges, accompanied by technological advancements, such as data protection and cybersecurity, requires constant readiness to keep pace with technological developments. (Saber Shaker Mohi, 2021).

The future of the accounting profession should not overlook the impact of modern technology, particularly cloud computing and blockchain technologies. This technology is one of the most influential innovations in the field of financial operations. Blockchain has enabled an unprecedented level of transparency and credibility in recording financial transactions, thereby reducing the likelihood of manipulation and enhancing trust between institutions and stakeholders. This advancement underscores the importance of accountants as financial experts who can leverage these technologies to support organizational objectives (Albayati, Y.K., Allouzi, A.S., Abdalaziz, M.M.O., Al-Ali, M., & Yas, H., 2025). In light of these transformations, the future of the accounting profession emerges as a field that demands flexibility

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and a constant readiness to adapt to rapidly evolving technological changes. Technology is no longer just a tool; it has become an integral part of the profession, requiring accountants to develop their skills and expand their knowledge. With continued technological innovation, the accounting profession will remain a vital pillar for supporting the stability and sustainability of institutions in an increasingly complex and interconnected world. (Fatima Muftah Al-Falah, 2020).

1.1 Research Problem

Major business organizations worldwide, seeking to reduce costs, have begun to adopt cloud computing technology, particularly in light of the economic crisis prevailing in most countries. The majority of business organizations strive to optimize the utilization of their existing resources. This era has witnessed a growing interest in cloud computing, as it enables organizations to maintain and gain a competitive advantage through the advantages underlying its use. It also helps address the risks associated with keeping pace with the rapid changes in modern technologies (Yas, H., & Jusoh, A., 2025). Traditional accounting systems often fail to adequately account for environmental activities within business organizations. They have been unable to identify, measure, and report costs and benefits, track their impacts, and analyze their results. They have also failed to provide stakeholders (both internal and external) with appropriate information regarding these activities to support administrative decision-making.

1.2 Research hypothesis

A. Shed light on the concept of carbon footprint and the importance of its disclosure.
There is a statistically significant effect of switching from traditional accounting to cloud accounting in improving the accuracy of financial statements.

1.3 The importance of studying

The importance of the topic stems from its relative novelty, as well as the paucity of literature and reviews addressing the subject, particularly in Arabic. It is a fertile field for research. Furthermore, the shift toward cloud accounting and the use of new methods and tools may contribute to solving the problem of loss or waste that traditional accounting has suffered from, making it an inevitable alternative or complement. This study requires an understanding that its primary objective is to comprehend the concept of cloud accounting, compare it to traditional accounting, and identify the opportunities and challenges it presents.

1.4 Limitations of the study

From December 2024 to March 2025

1.5 Sample population

Rashid and Rafidain Banks, Babylon branch

2. Traditional Accounting

2.1 What is traditional accounting?

Accountants employed a method of conducting accounting operations using books and papers. They recorded accounting operations, data, amounts, and figures, as well as all company matters, in the company's books and records (Allouzi, A.S., 2024). This methodology encompasses a set of fundamental accounting principles, including the principle of neutrality, which entails documenting accounts independently and impartially, without being influenced by external considerations, as well as the principle of materiality. Traditional accounting was the primary methodology used for managing accounts before the advent of technology and computers. However, with the advancement of technology, many accounting programs have emerged that help record accounts more accurately and efficiently, such as the Simple Accounting System. (Issam Ballash, 2020).

2.1.1 Advantages of traditional accounting systems

1. Complete control: Traditional accounting systems provide a company with complete control over its financial data and IT infrastructure.
2. Security: Traditional accounting systems may provide a greater sense of security for some companies, as data remains on the company's premises.
3. 3- Customization: Traditional accounting systems can be further customized to meet a company's specific needs.
4. 4- Internet independence: Traditional accounting systems do not require a constant internet connection to operate. (Amal Zayed Khalif, 2024) (Dr. Salwa Darar Awad, 2021).

2.1.2 The Importance of Traditional Accounting

1. Accurately Documenting Financial Transactions: Traditional accounting provides a clear system for recording all financial transactions of companies and institutions in an organized manner, making them easier to track and analyze later.
2. Financial Reporting: Enables the preparation of basic financial statements (such as the income statement, balance sheet, and cash flow statement) to evaluate financial performance.
3. Management Decision Making: Provides senior management with accurate financial information that supports informed planning, budgeting, and strategic decision-making.
4. Compliance with Legal and Tax Requirements: Ensures an organization's compliance with financial and tax laws by maintaining clear records relating to the event of an audit or tax examination.
5. Internal Control: An essential tool for financial oversight, as it detects any deviations or manipulations in operations and supports corporate governance.

6. Financial Performance Evaluation: Helps analyze profitability, liquidity, and solvency, thereby assessing the efficient use of resources.

2.1.3 Inputs in Traditional Accounting

1- Recording transactions in journals and paper ledgers.
2- The recording (entry) and posting process is manual, which leads to a time lag and the emergence of intentional and unintentional errors. (Mohamed Moussa Ali Shehata, 2018).

2.1.4 Individuals in Traditional Accounting:

They are an effective tool to assist management in decision-making and planning. Therefore, accounting expertise and skills are required, along with the ability to handle transactions and accounting procedures. (Saber Shaker Mohi, 2021)

2.2 Cloud Accountings

2.2.1 What is cloud accounting

Recent studies (e.g., Zhang & Lee, 2023; Patel et al., 2024) have highlighted that the adoption of cloud accounting significantly improves financial reporting transparency, while also raising concerns about data security and regulatory compliance. These works complement earlier regional studies and demonstrate global relevance (AlLouzi, A.S., & Alomari, K.M., 2023).
Accountants use cloud accounting software online via a web browser or smartphone app. They store the financial data on the service provider's servers and do not install any software on local computers. Cloud accounting systems typically rely on a monthly or annual subscription model. They conduct accounting operations using computers and store the financial transactions and data, organizing and analyzing on these devices (Elyat, M. N., Al Bayati, N. Y., Al Baloushi, N. A., Sarhan, M. I., Marks, A. A., Khudhair, H. Y., & Allouzi, A. S., 2024). They completed the process using a variety of advanced electronic accounting programs, spreadsheet applications, and analytical tools. Computer programs utilize various algorithms to analyze, select, and process data. This methodology converts traditional manual processes into an automated electronic system that enables the creation and management of financial accounts and reports for companies and institutions. (Saber Shaker Mohi, 2021) (Mohamed Mousa Ali Shehata, 2018) (Saeedi Fares, 2022).

2.2.2 Advantages of Cloud Accounting Systems

1. Low Cost: Cloud accounting systems do not require significant investments in IT infrastructure, as they rely on a monthly or annual subscription model.
2. Ease of Access: Financial data can be accessed from anywhere, at any time, via the internet, using any internet-connected device.
3. Scalability: Cloud accounting systems can be easily scaled to meet the needs of growing businesses (Saeed, M. D., & Khudhair, H. Y., 2024).
4. Automatic Updates: The service provider is responsible for updating the software and fixing bugs, saving the company time and effort.
5. Automatic Backups: The service provider automatically backs up financial data, reducing the risk of data loss (Khudhair, H. Y., Jusoh, A., Mardani, A., Nor, K. M., & Streimikiene, D., 2019).
6. Security: Cloud accounting systems typically provide a high level of security to protect encrypted data, and advanced security measures are employed to safeguard it. (Issam Ballash, 2020) (Salwa Darar Awad, 2021)

2.2.3 The Purpose of Cloud Accounting:

1. Organizing accounting operations more efficiently, effectively, and quickly.
2. Speeding up recording and reporting errors, speeding up data access and delivery, increasing accuracy in accounting operations, and reducing auditing time. (Saber Shaker Mohi, 2021)

2.2.4 Inputs in Cloud Accounting:

1. Recording transactions in an electronic environment, known as electronic accounting records, and storing them in the cloud.
2. Electronic recording (entry) processes, such as barcode technology and electronic posting, are performed at a high speed and with minimal errors due to the reduced human interaction during the entry and posting process. (Salwa Darar Awad, 2021)

2.2.5 Documentation in Cloud Accounting:

1. Recording transactions in an electronic environment according to an electronic document agreed upon by all parties.
2. The need for security requirements to maintain the credibility of the electronic document. (Salwa Darar Awad, 2021)

2.2.6 The most important differences between cloud accounting and traditional accounting can be summarized as follows:

1. Institutions providing cloud accounting services follow the same financial policies and standards as traditional accountants, but the tools are different. The Financial Accounting Standards Board sets the standards that determine how companies prepare their financial reports. The Securities and Exchange Commission oversees the process. When submitting an accounting model for a company, the historical basis of the same institution is relied upon. (Issam Balach, 2020)
2. Cloud accounting software is similar to traditional accounting software installed on computers. However, the system does not install the cloud accounting software on computers; instead, the users access it via the Internet. The system sends the data to the cloud, processes it, and then returns the results to the user. It utilizes all application functions off-site rather than on the user's desktop. Cloud accounting characteristics include flexibility, enabling users to access accounting data from anywhere and on any device with an internet connection. It differs from traditional accounting, which is limited to a small number of devices and specific locations (Yas, N., Salem, O., AlLouzi, A. S., Abdalaziz, M. M. O., Marks, A., & Al-Jumaili, A., 2025).
3. Cloud accounting applications automatically update financial information and provide real-time financial reports. Account balances are always correct as long as the data is not manually processed. (Saidi Fares, 2022) (Dr. Salwa Darar Awad, 2021)

4. Cloud accounting manages transactions conducted in different currencies and for multiple companies more efficiently. (Saber Shaker Mohi, 2021) Muhammad Musa Ali Shehata, 2018)
5. Cloud accounting is suitable for business growth and expansion, as it does not require high additional costs for these companies, such as licensing, maintenance, and capital purchases, which often involve new hardware, like servers. (Issam Ballash, 2020)
6. Cloud accounting requires significantly less hardware maintenance than its traditional counterpart. The cloud provides backups for security, and updates are automated, eliminating the need for manual downloads or installations on the organization's computers. (Mohamed Moussa Ali Shehata, 2018).

2.3 Financial Statements

2.3.1 Definition of Financial Statements

Financial statements are formal records prepared periodically by companies (usually annually or quarterly) to present a clear picture of their economic performance and position. These reports aim to provide stakeholders—such as shareholders, investors, creditors, and regulators with accurate and transparent financial information to support economic decision-making (Khudhair, H. Y., Jusoh, A., Mardani, A., Nor, K. M., & Streimikiene, D., 2019).

2.3.2 The Main Types of Financial Statements

1. Balance Sheet (Statement of Financial Position) Presents the company's financial position at a specific point in time and includes:
Assets (current and non-current)
Liabilities (short- and long-term)
Equity (owner's capital, retained earnings)
2. Income Statement (Profit and Loss Statement):
Shows the company's performance over a specific period, detailing:
Revenues
Expenses
Net Profit or Loss
3. Cash Flow Statement:
Details the cash inflows and outflows, categorized as:
Operating Activities
Investing Activities
Financing Activities
4. Statement of Changes in Equity:
Reports on changes in the shareholders' equity, including:
Retained earnings
Dividends
Capital contributions or withdrawals

2.3.3 Objectives of Financial Statements

1. Provide reliable information about financial position and performance.
2. Assist users in evaluating future cash flows.
3. Enable accountability and transparency.
4. Support investment and financial decisions.
5. Facilitate comparisons across periods and entities.

2.3.4 Key Characteristics of Quality Financial Statements

1. Reliability and accuracy
2. Transparency
3. Understandability
4. Comparability
5. Fair presentation

2.3.5 Accounting Standards for Preparing Financial Statements

1. International Financial Reporting Standards (IFRS)
2. Generally Accepted Accounting Principles (GAAP)
3. Local or sector-specific accounting standards, depending on the jurisdiction and industry.

2.3.6 Importance of Financial Statements

1. Serve as a tool for internal control and performance evaluation.
2. Help with financial and operational analysis.
3. Are used to report data to tax and regulatory authorities.
4. Play a key role in investor confidence and corporate transparency.

In recent decades, the world has witnessed rapid advancements in information and communication technologies, which have significantly influenced various sectors—especially the financial and accounting fields. Within this digital transformation, the emergence of cloud computing marks a fundamental innovation that reshapes and processes accounting data, generating financial reports. Traditional accounting systems typically rely on locally installed software and data stored on internal servers (Yas, H., Aburayya, A., & Shwedeh, F., 2024). This setup often limits the ability to update, share, and analyze financial information efficiently. In contrast, cloud-based accounting offers a

flexible, secure, and integrated environment that enables organizations to store, access, and process financial data in real time from virtually anywhere. It significantly enhances their ability to make accurate and timely financial decisions. The shift from traditional to cloud-based models represents a paradigm shift in the philosophy and practices of financial reporting (Allouzi, A.S., & Yas, N., 2024). It emphasizes improving the quality of accounting information according to key characteristics such as accuracy, timeliness, transparency, and verifiability—all of which are crucial in producing high-quality financial reports and reinforcing stakeholder trust. Recent studies have shown that organizations adopting cloud accounting systems have achieved improved financial disclosure, reduced errors, and enhanced efficiency in terms of time and cost compared to conventional methods. These systems also offer advanced financial analysis capabilities through integrated tools like interactive dashboards and artificial intelligence features.
Section Three: The Practical Aspect

3. Introduction

Additional methodological clarification: The collected data were analyzed using SPSS version 26, employing descriptive statistics, correlation analysis, and regression tests to evaluate the hypotheses. Cronbach's alpha was calculated to test reliability (0.81), confirming internal consistency. The relatively small sample size (n=55) is acknowledged as a limitation, suggesting caution in generalization (Allouzi, A.S., Alomari, K.M., Maghaydah, S., 2024).
In the first and second chapters, we addressed the theoretical literature of the study by identifying the basic concepts related to traditional accounting and cloud accounting. Through this section, we will apply the theoretical aspects to the real world and clarify the transition from traditional accounting to cloud accounting, as well as its impact on the quality of financial reports. This section presents the results of applying descriptive statistical methods, utilizing the data collected by the researcher (Yas, H., Mardani, A., & Alfarttoosi, A., 2020). The questionnaire analyzes the opinions of the study sample regarding (the transition from traditional accounting to cloud accounting and its impact on the quality of financial reports), where arithmetic mean tables estimate levels, as well as standard deviations to measure dispersion. The system presents the questionnaire items across three axes (Yas, N., Dafri, W., Yas, H., & Shwedeh, F., 2024). The study defines the population and the intended meaning of the transition from traditional accounting to cloud accounting and determines its impact on financial reporting. The study included all segments of the human community through a questionnaire that included a set of questions related to the topic. The researcher distributed sixty (60) questionnaires and gathered fifty-five (55) questionnaires, yielding a response rate of 91.6%. The researcher collected and tabulated the data and then analyzed it using the statistical program SPSS 26 (Aboelazm, K.S., 2022).

3.1 Study population

The researcher selected a group of bank employees.

3.2 Study sample

The researcher distributed 60 questionnaires and gathered 55 questionnaires at the Rasheed and Rafidain Banks, Babylon branch.
The researcher designed the questionnaire consisting of three axes:
The first axis measures the personal characteristics of the respondents (gender, age, experience, and educational attainment) to describe the sample. The second axis addresses traditional accounting and its applications. The third axis addresses cloud accounting and its impact on financial reporting.
The questionnaire and its results:
In the first section of the analysis, the researcher defined the demographic data as follows:

Table 1: Represents the frequency table for gender

Gender	Frequency	Percentage
Male	31	56.4
Female	24	43.6
Total	55	100.0

*The researchers prepared the table using data from the questionnaire. We note from the above table (No. 1), which represents the percentage of participants by gender, that we note the frequency of male respondents (31) at a rate of (56.4%), which is the highest rate of participation, while female respondents were (24) at a rate of (43.6%).

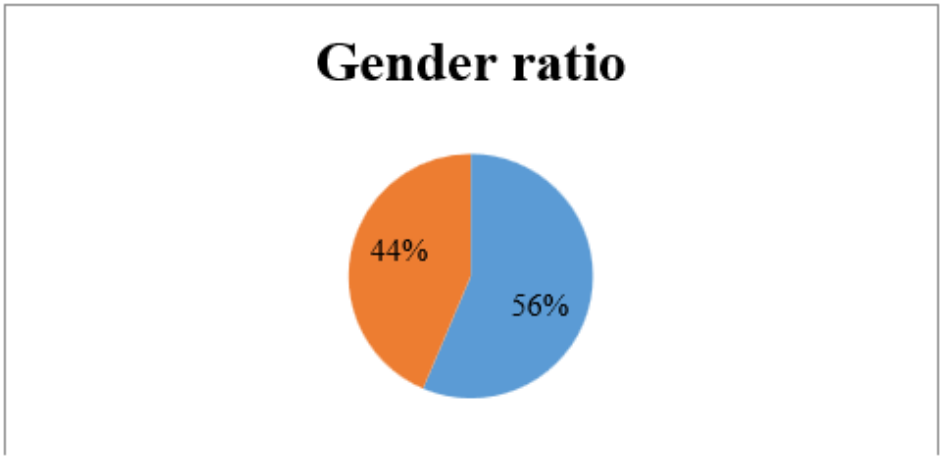


Fig. 1: Chart representing the gender ratio of respondents.

Table 2: Frequency table representing the educational attainment of survey respondents

Academic Attainment	Number of Participants	Percentage
University	44	80.00
Preparatory	4	7.3
Intermediate	4	7.3
Elementary	3	5.5
Total 55	55	100.00

*The researchers prepared the table based on data from the questionnaire.
We note from the table above (No. 2), which represents the educational attainment of the respondents. We note that those with a bachelor's degree were the most frequently participating, with 44 participants representing 80%. Participants with a preparatory and intermediate certificate came in second place, equally, with (4) participants representing (7.3%) for both levels. Participants with an elementary school certificate numbered only (3), representing (5.5%), which is the lowest attainment among the respondents.

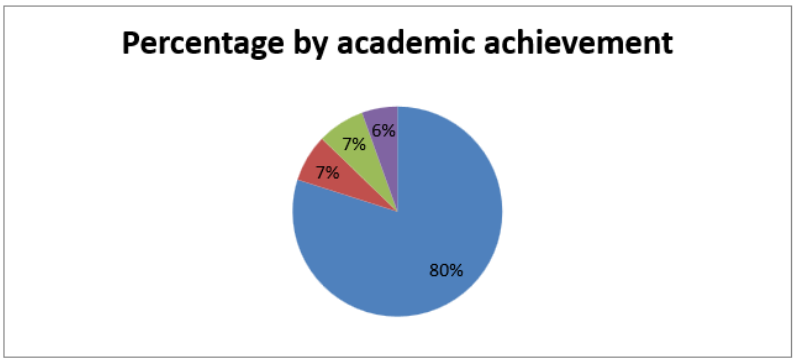


Fig. 2: A chart representing the percentage of respondents' educational attainment.

Table 3: Represents the number of years of experience.

Years of Experience	Frequency	Percentage
Less than 5 years	11	20.00
5-10 years	15	27.27
10-15 years	11	20.00
15-20 years	9	16.36
Over 20 years	9	16.36
Total	55	100.0

*The researcher prepares the table based on data from the questionnaire.
The table above (Table 3) displays the number of years of experience among participants who responded to the questionnaire. The most significant number had 5-10 years of experience, with 15 representing 27.27% of the total. The second place was occupied by those with 10-15 years of experience, as well as those with less than 5 years of experience, with 11 representing 20.00% of the total. Those with more experience, specifically those with more than 20 years, follow it. Similarly, those with 15-20 years of experience, who make up only 9, represent 16.36% of the total.

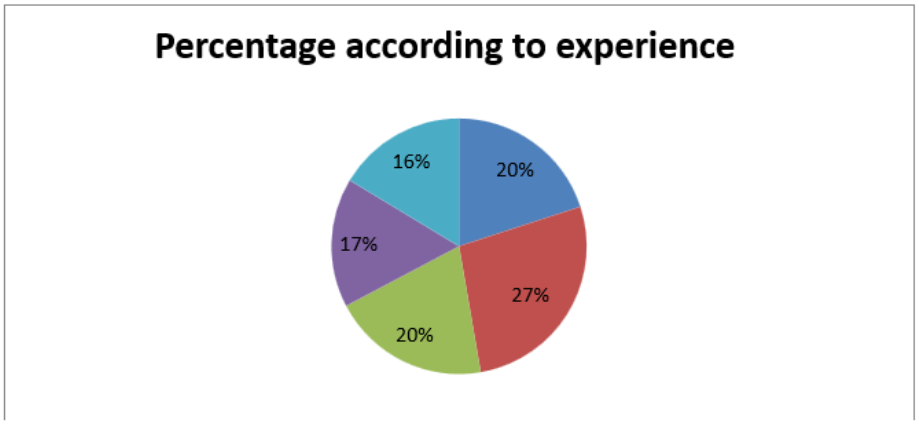


Fig. 3: A chart representing the percentage of years of service

To analyze the remaining questionnaire axes, it is necessary to test the validity of the questionnaire and its paragraphs for analysis. The researcher uses the Cronbach's alpha test.
When testing the study tool for the transition from traditional accounting to cloud accounting: opportunities and challenges, the test value was found to be (0.81), indicating that the questionnaire is suitable for analysis (Yas, H., Dafri, W., Sarhan, M. I., Albayati, Y., & Shwedeh, F., 2024).
Second Axis: Traditional Accounting and the Effects of Its Use:
Data for this axis were analyzed, presenting a set of questions on a five-point scale. The researcher uses the arithmetic mean and standard deviation to answer these questions, as shown in the following table:

Table 4: Questionnaire Paragraph

Paragraph	Std. Deviatoin	strongly disagree	I disagree	Neutral	I agree	Strongly agree	Mean
To what extent do you agree that traditional accounting provides accurate financial information?	0.86707	2	0	8	31	14	2
To what extent do you agree that traditional accounting fails to measure intellectual capital?	0.87116	1	1	12	25	16	2.0182
Do you believe that traditional accounting will remain relevant in the next 10 years?	1.11976	2	6	6	21	20	2.0727
Traditional accounting provides accurate and reliable information about a company's financial position.	1.8122	3	4	17	21	9	2.7091
Traditional accounting helps track cash flows effectively.	1.08308	3	4	5	27	16	2.1091
Traditional accounting facilitates managerial decision-making.	0.99392	2	15	16	19	3	2.8909
Traditional accounting reflects a company's actual financial performance.	0.94388	0	6	10	24	15	2.1273
Traditional accounting effectively complies with international accounting standards.	1.14298	2	19	14	12	8	2.9091
Traditional accounting facilitates compliance with tax requirements.	0.89968	1	3	9	28	14	2.0727
Traditional accounting allows for effective comparison of financial performance between companies.	0.86961	1	2	13	27	12	2.1455

Table 4 shows that the arithmetic means and standard deviations of the effectiveness of internal control and its applications under the electronic operating system have a positive impact on accounting information outputs. We note that the arithmetic means ranged between (2.9091 and 2.0182) (Aboelazm, K.S., Obeidat, M.A., Tawakol, F., Alfil, N.Z., & Ul Haq, F.H., 2025). The item "Traditional accounting effectively complies with international accounting standards" ranked highest, with an arithmetic mean of 2.9091. In contrast, the item "To what extent do you agree that traditional accounting is unable to measure intellectual capital" ranked last, with the lowest arithmetic mean of 2.0182.

Third axis: Effectiveness of cloud accounting and its applicability:

Data for this axis were analyzed, where a set of questions for the five-point scale was presented. The arithmetic mean and standard deviation were used to answer these questions, as shown in the following table:

Table 5: Answers to the questions of the third axis

Paragraph	Strongly disagree	I disagree	Neutral	I agree	Strongly agree	Mean	Std.D
Cloud accounting helps provide high-quality services regardless of the devices used.	1	0	7	39	8	2.0182	0.59289
Cloud accounting facilitates the storage of accounting information.	1	2	7	30	15	1.9818	0.84964
Cloud accounting helps store large amounts of accounting information.	1	4	14	20	16	2.1636	0.99561
Cloud accounting helps reduce the costs of storing accounting information.	0	3	12	28	12	2.1091	0.80904
Cloud accounting provides secure access to accounting information.	0	1	6	26	22	1.7455	0.72567
Cloud accounting enables accountants to access information anytime, anywhere.	4	11	10	21	8	2.6182	1.22461
Cloud accounting helps reduce the number of accounting documents and ledgers.	14	4	12	25	0	3.1273	1.24803
Cloud accounting helps accountants prepare accounts and financial reports with minimal time and effort.	1	5	9	28	12	2.1818	0.94459
Cloud accounting reduces the manipulation of financial reports.	1	4	16	27	7	2.3636	0.86845
Cloud accounting helps improve the accuracy and quality of financial reports and accounting information.	2	0	8	34	10	2.0545	0.70496

Table 5 Shows that the arithmetic means and standard deviations of the effectiveness of internal control and its applications under the electronic operating system have a positive impact on accounting information outputs. We note that

The arithmetic Means ranged between (3.1273 - 1.7455). The item "Cloud accounting helps reduce the number of accounting documents and books" ranked highest, with an arithmetic mean of 3.1273. In contrast, the item "Cloud accounting provides secure access to accounting information" ranked last, with the lowest arithmetic mean of 1.7455.

From the above, it is evident that there is a significant impact on the effectiveness of accounting implementation, as opposed to continuing to use traditional accounting methods.
Section Four: Conclusions and Recommendations

4. Conclusions

1. Cloud accounting improves accounting accuracy and efficiency, as external auditors can review and analyze data more efficiently and accurately through cloud accounting systems and programs. Therefore, the transition from traditional accounting to cloud accounting is a practical necessity with the development of business and technology.
2. Cloud accounting reduces costs and facilitates access to and review of accounting documents and records through cloud accounting systems. It increases the efficiency of the external audit process by chartered accountants. It is scalable and secure, making it highly important and a motivation to move away from traditional accounting and keep pace with global growth.
3. The impact of using cloud accounting on the flexibility of various accounting processes by enabling the adaptation of resources, storage, and structuring of accounting applications according to business needs (Yas, H., Aburayya, A., & Shwedeh, F., 2024).
4. Integrating cloud accounting systems with other accounting applications and, for example, linking accounting data to customer relationship management systems, inventory management systems, and others.
5. There are several challenges facing the transition to cloud accounting, including the lack of skills to navigate the accounting transformation environment (Shwedeh, F., Yas, N., & Abdijabar, Z., 2024).

Recommendations:

Strengthen cybersecurity measures by adopting multi-factor authentication, regular penetration testing, and compliance with international data protection frameworks such as GDPR and ISO/IEC 27001. These strategies mitigate risks associated with cloud adoption in the banking sector.

1. Offer training courses and educational curricula that equip individuals to effectively utilize the cloud environment, leveraging the full advantages of cloud computing and its applications. Motivate staff to learn and study cloud accounting and convince them of the need to abandon traditional accounting and replace it with cloud accounting.
2. Attempt to identify challenges, find practical solutions, and focus on available opportunities, attempting to expand them to benefit from cloud accounting in accounting practices and the features of its applications that support better work completion with high accuracy and extreme speed (Aboelazm, K.S., 2025).
3. Pay attention to the implementation of cloud computing policies, as they must be well-written to outline the procedures and security guidelines for cloud solutions. Those involved in cloud accounting must be aware of the surrounding environment and provide special attention to this aspect.
4. Pay attention to privacy, security, and cybersecurity, as they are the foundation upon which data is stored and protected from being leaked, spied on, or lost. Pay attention to the terms and conditions imposed by cloud accounting applications in this regard.
5. Use cloud accounting to assess and mitigate risks, exercise due diligence in this regard, and reduce errors in data processing (Dafri, W., Yas, N., Salem, O., Khalifa, A. A., & AlLouzi, A. S., 2025).

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Data Availability

The datasets used during the current study are available from the corresponding author on reasonable request.

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