



ORIGINAL RESEARCH PAPER

Commerce

A STUDY ON IMPACT OF E-COMMERCE ON BUSINESS ORGANIZATION: A SPECIAL REFERENCE WITH QUALITY OF AUDIT WORK AND QUALITY OF FINANCIAL REPORT

KEY WORDS: E-Commerce, Audit Work and Financial Report

Mustafa Hamad Al-Hakeem

Alzaiem Alazhari University, Khartoum North, Sudan

Bazhar Abdulsalam Abdulrahman*

Erbil Polytechnic University, Kurdistan Region- Iraq *Corresponding Author

ABSTRACT

This study aims to identify the impact of e-Commerce on auditor work the quality and quality of financial reports. The researcher found that need to define the auditors of e-Commerce, auditor's institutions and its requirements. Accordingly the auditor impact with this type of action capably and meritoriously. The true training of systematic, practical and technological auditors will positively reflect on the process of proving e-Commerce quality of financial reports. And also by introducing the software technology support the auditor to update the financial report under one tree. Activities such as research and development, computing, inventory management, quality control, accounting, personnel management, marketing, advertising and distribution is now getting traded because of the growth in Information Technology. The main contribution of this paper is that it demonstrates a conceptual framework which shows the feasibility of nonstop auditing electronic transactions in the e-Commerce.

INTRODUCTION

In the year 1991 noted a new era in the history of the online world where e-Commerce became a hot choice amongst the commercial use of the internet. At that time nobody would have even thought that the buying and selling online or say the online trading will become a trend in the world and India will also share a good proportion of this success (Tian Xiaomei, 2014; Abdullah, 2016; Rabiyyathul & Ramyar, 2018). E-commerce is conducted through a network of business activities, belonging to the network for business operations and management information systems of its nature. E-commerce support including computer technology, network technology, communication technology, as the subject of e-commerce parties to the transaction may abandon the traditional "one on one, face to face" transactions, and instead online trading model, not only greatly simplified transactions process, while promoting commercial activities carried out smoothly. Abdullah (2018) in recent years, the development of e-commerce, serious impact on traditional financial accounting systems, and digital business environment also influence the decision of the accounting work environment.

The Characteristics of E-Commerce

1. The Disappearance Paper Documents in Commercial Transactions

There are no paper documents the electronic transaction, while all of the correspondence between the parties to transactions conducted electronically without the use of any papers, which is consistent with the purpose of e-commerce is the creation of community transactions paperless, which raises the issue of electronic proof and its impact as an obstacle to growth of e-Commerce.

2. Inability to Identify Contractors

The contractor one or two parties didn't see to face. since Internet provides business sector management transactions efficient from anyplace in the world, so that the center of company information can be found in any place without affecting the performance, but may for this separation spatial between the auditor of electronic transactions did not know all the information core from each other as in traditional commercial transactions, where one of them not know the financial position and whether it has reached the age of maturity or minus eligibility (Al- jabali, 2011; Prabhu, Nabaz & Madanmohan, 2019).

3. Products Delivered Electronically

Bansal, Sharma & Lata. (2009) Internet allowed the possibility

of delivery of some products electronically, such as computer programs, musical recordings, videos, books, papers and reports online, as well as some services such as consulting medical or engineering, which creates a challenge for the authorities where there is not yet agreed mechanisms for digital products subject to customs or taxes, as vendors that can be used to evade the payment of customs duties and taxes by not recording these transactions in the books of the official accounting.

4. Absence of Direct Relationship between the Contracting Parties

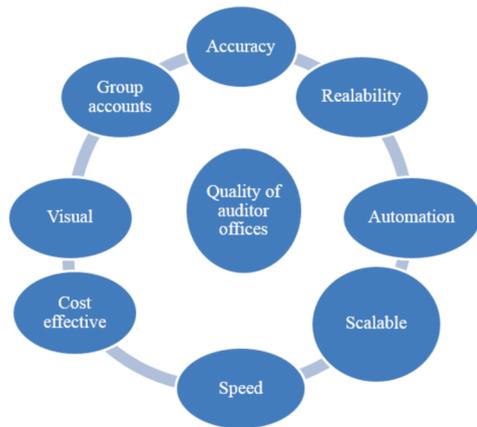
Spin bargaining and negotiations between contract parties in the contract to agree on details of the contract to be concluded between them, may require the contract one session or several sessions until agreement on the terms and details of the contract, but in the decades of e-commerce do not have a council held in the traditional sense, the seller may be in place and the buyer had put away the thousands of miles away, has a different time schedule as well as between buyer and seller place (Chen, 2012; Prabhu & Nambirajan 2010). The human factor May miss completely, computers based correspondence between them is what is known as contracting agent E, which prompted some to suggest that e-Commerce have a negative impact on social relations between individuals as a result of the absence of intimate relationships between contractors, where everyone can get the essential needs of food, clothing and other through the Internet and even without leaving home (Curtis & Wu, 2000).

5. The Presence of the Electronic Mediator

The electronic mediator between contract parties is a computer and related network of international contacts that you move the expression electronically for each of the contracting parties at the same moment, in spite of separated spatially, usually the e-mail reached at the same moment to the other party, unless there has been a malfunction in the network or the collapse of it may not get the message or reach false or illegible, and may arise in the responsibility of Internet service provider for non arrival of the message or it arrives late or arrive in time, but there by mistake or misrepresentation (Harkness & Green, 2004; Yu Ming, 2012; FangYong, 2014).

Impact of E-Commerce Quality of Auditor Office

The Ecommerce of effect on quality of auditor office chart flow.



1. **Reliability** refers to whether financial information can be verified and used constantly by investors and creditors with the same results. Basically, **reliability** refers to the honesty of the financial statements.
1. **Data access** refers to a user's ability to access or retrieve data stored within a database or other repository. Users who have data access can store, retrieve, move or manipulate stored data, which can be stored on a wide range of hard drives and external devices.
2. **Accuracy** all the data collected from sources of day to day transactions, journal entries for accuracy report.
3. **Scalability** the auditor sit a one place he finished the auditing work more than 10 branches.
4. **E-Commerce Security** refers to the principles which guide safe electronic transactions, allowing the buying and selling of goods and services through the Internet, but with protocols in place to provide safety for those involved. **Cyber-Security** represents maybe the most important Ecommerce feature. Without the existence and implementation of proper protocols, online store owners put themselves and also their customers at risk for payment fraud. The data breaches harm an E-Commerce website's reputation.
5. **Speed** is a most advantage. Traditionally account follows various steps but this e-Commerce is simplify, summarized and improve the result of auditing work and quality.
6. **Cost effective** is very cheaper than compare with traditional model method. There is more than 10 employees maintain the audit work but nowadays only one auditor and one computer operator they manage entire work.
7. **Visual** Whenever and where ever want we can visible the records.
8. **Automation** is time consumption can choose from several potential job roles, including: Accounting and auditing, Budget analysis, financial advising, financial analysis, financial management. An auditor spends lot of time in auditing work. The automation machine give accurate value reduces work, it increasing quality of audit work and financial work (Harkness & Green, 2004; Rabiyaathul & Ramyar, 2019).

Financial Account Report

The traditional concept of the accounting entity assumption is not clear. Nowadays improve of quality of financial report increasing. So changed E-commerce technology current auditor work to break the traditional accounting of time, space limitations, to achieve real-time financial information, dynamic collection, dissemination and use, and thus more refined division of accounting period. This change to a certain extent simplified accounting period, in time to provide data analysis for business decision-making and quality financial report.

business results and financial condition, comprising income statement of changes in equity, balance sheet and financial situation, the current flow statement, financial statements and other schedules and notes. Financial reporting mainly serve the users of corporate information, financial information requested must have a very high accuracy, and requires the ability to timely update, at any time to provide the latest financial information. The traditional manual operation in this regard would often mistakes, omissions, etc., confide on e-commerce and computer technology and network technology, automated financial reporting statements generated by computer super computing power, effectively ensure the accuracy of financial information, help updated in real time financial information to provide timely increases quality of financial report.

CONCLUSION

There is impact of E-commerce on the auditor's work and quality of financial report where the criteria for the preparation of the report are govern the auditor's report and any modification in the standards would entail an amendment in the auditor's report. The growth of e-Commerce using a public network like the internet as a technological internal and external auditor to support the implementation of the information and communication channel, has produced a huge impact on what concerns the implementation of internal control systems and the information systems' auditing practices, whenever the commercial transactions are done electronically. This paper present we suggest that, should an organization make a decision to implement any electronic commerce auditor work new model that will implement its information and communication channel trough the internet, it should extend its intra-company internal control system to its inter-company control. The intra-company internal control to the inter-company control will allow the implementation of a difficult based real-time auditing system, using the software agents' technology. This auditing system shall be involved in the core and support processes of any organization that chose electronic commercial transactions, taking advantages from the markets globalization and the internet ubiquity. As a future work attempt, there is still the need of designing the internal control system structural design that we have, in the present paper suggested.

REFERENCES

1. Abdullah, N.N. (2016). Impacts of public participation on public budgeting process of Kurdistan.
2. Abdullah, N.N. (2018). Probing the Level of Satisfaction towards the Motivation Factors of Tourism in Kurdistan Region. *Scholars Journal of Economics, Business and Management*; 5 (6), 439-443.
3. Al-jabali. (2011). The Impact of E-commerce on the Audit Profession in Jordan *Eurojournals*, ISSN 1450-2275, 30.
4. Bansal, S. C., Sharma & Lata. (2009). New Challenges of Accounting and Auditing in EEnvironment in India, *Revista Universo Contábil*, 5(1), 88-99.
5. Chen Jiali. (2012). Research on Electronic Commerce Network Financial Accounting Development. *Enterprise Economy*, 06, 128-132.
6. Curtis, M. B. & Wu, F. H. (2000). The Components of a Comprehensive Framework of Internal Control. *CPA Journal*.
7. Fang Yong. (2014). Research Impact of Electronic Commerce on the Financial Accounting Development. *Managers*, 36: 1-2.
8. Harkness, M. D. & Green, B. P. (2004). E-Commerce's Impact On Audit Practices. *Internal Auditing* 19(2), 28-36.
9. Prabhu, M, & Nambirajan, T. (2010). Competitive Priorities of Manufacturing Industries in Union Territory of Puducherry - An Empirical Study, *Review of Business and Technology Research*, 3 (1), 321-330.
10. Prabhu, M, Nabaz Nawzad Abdullah & Madan Mohan, G. (2019). An Empirical Study on the Satisfaction Level of National and International Tourists towards Natural Attractions in Kurdistan. *African Journal of Hospitality, Tourism and Leisure*, 8 (2), 1-8.
11. Rabiyaathul Basariya, S., & Ramyar Rzgar Ahmed. (2018). A Study on Consumer Satisfaction and Preference of Color TV Brands in Chennai City. *International Research Journal of Management and Commerce*, 5(11), 47-60.
12. Rabiyaathul Basariya, S., & Ramyar Rzgar Ahmed. (2019). The Influence of Adventure Tourism Activities in promoting tourism business in mountain stations. *African Journal of Hospitality, Tourism and Leisure*, 8 (2), 1-10.
13. Tian Xiaomei (2014). Study Impact of Electronic Commerce on the Financial Accounting. *Heilongjiang Science*, 06, 232.
14. Yu Ming. (2012). The Impact of E-business in the Ming on the Financial Accounting. *Mudanjiang University*, 10, 154-155.

A document written summary financial report belong to