

Presenting a Conceptual Model of Creative Accounting

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Abstract

Accounting scandals, Creative Accounting, and fraud are always there. Recently, large joint-stock companies have been caught in financial scandals that occurred due to Creative Accounting, and these scandals had a very deep impact on the financial institutions of that country and its consequences on the financial markets of other industrialized countries. In Creative Accounting, the reporter tries to present a false and desired image of the company by using the non-standards, tax laws, and financial regulations in the context of conducting a financial event, without violating accounting principles and standards. The purpose of the current article is to present a conceptual model to prevent Creative Accounting. The research method is qualitative. An inductive approach was used. The data was obtained from the data foundation method and interviews with experts. 15 interviews were conducted with the participants. Also, the theoretical sampling method has been used in the research. Data analysis was done in three stages open coding, central coding, and selective coding using MAXQDA software. Based on the six dimensions of the conceptual model categories (causal conditions, Central phenomenon, Contextual factors, Intervening factors, Strategies, and consequences), the final research model was obtained. The conceptual model of research in causal conditions includes fundamental, organizational, and specialized features. In the central phenomenon including commitment; Idealism; Contextual conditions: legal and environmental requirements; in the section on intervening conditions: managerial, structural, and supervisory features; in the strategy section: information management, compatibility, and legal reporting. In the end, it is expected that Creative Accounting will be prevented by implementing these strategies and emphasizing the economic and social consequences.

Keywords: Grounded theory, Financial Reporter quality, Creative Accounting, Financial management.

JEL Classification: G21, O16, M41

1. Introduction

The increasing need of institutions and organizations for accurate and timely information to be used in the decision-making process of managers is an inevitable category (Shahatha et al., 2022). In this regard, the creativity and skill of people is considered the main source of providing useful and effective information (Afriyie et al., 2022). Accounting information, as the most important subset of the company, provides a variety of financial information to the users of this type of information, especially shareholders, owners and supervisors (Alderson

et al., 2021). Today, the development of accounting requires a dynamic higher education system in harmony with the creativity and skill of people (Faktorovich, 2021). Creative Accounting is not a new phenomenon. Its traces can be traced back to the beginning of the 19th century, which first appeared in the form of profit smoothing and then in the form of creating hidden reserves (Baradaran Hassanzadeh & Bagherzadeh Qara Ziauddin, 2017). Creative Accounting is the company's profit stream assuming the separation of ownership from management with its normal business form (Comandaru et al., 2020). The existence of various economic and accounting instabilities in the company's environment makes the financial statements not measured correctly. Managers provide the best solution for the company by using different accounting methods, but this solution does not always provide the correct image of the company, but rather moves towards the appropriate image of the company that is desired by the managers (Gudev, 2020). Therefore, distortion in qualitative financial information, according to the consistency and comparability of information designed for users, leads to instability in which we are faced with deliberate accounting, in other words, we enter the Creative Accounting environment (Safta et al., 2020). Creative Accounting is one way for managers to influence financial statements (Gupta & Kumar, 2020). In British academic texts, the term "accounting" has been used to describe the phenomenon of bogus accounting, this alternative is not unrelated to bogus accounting and can do justice to some extent (Rahnamay Roodposhti et al., 2013). But based on the studies conducted in this field, it is possible to consider the Creative Accounting phenomenon as a tool to achieve specific goals that are more inclined to management goals, which tries to move within the framework of accounting standards and other relevant laws provide an image of the business unit that is desired by the preparers of financial statements, even if it ends up misleading the users of financial statements (Rezaei Pitenoei & Safari Qerayli, 2019). This is why most of the negative and unethical side of this phenomenon appears, and in the evolution of the studies, this issue forms the main focus of the discussion (BozorgAsl et al., 2021). Several researches have been conducted in recent years in the field of profit management and profit smoothing. But there is no research to identify and determine the components of preventing Creative Accounting. Also, there is no research that has investigated a comprehensive model with emphasis on the views of professors and experts in a specific way, regarding the Creative Accounting components. Now, due to the lack of research in the field of determining the components of Creative Accounting and due to the importance of this issue, the current research seeks to determine the components from the eyes of elites and professors, which is a new work in its place and needs support. Therefore, the question of the current research is how to achieve a conceptual model in order to prevent the creation of Creative Accounting?

2. Literature Review

-Chukwugeku & Chiemam Fait (2022) in an article with title: "Creative Accounting Practices and Shareholders Wealth: Evidence from Deposit Money Banks in Nigeria" argued that creative accounting affects shareholder's wealth thus the need to checkmate the practice so that shareholders would actually know the true worth of their investment, not that which is coated that ends up giving them false hope in the long run. The study recommended that: Bank regulators should evaluate the adequacy of policies around inventory and assets valuation and at the same time, financial analysts and shareholders should note the application and consistency of accounting policies on inventory and assets. This way where inventory records have been manipulated can be discovered. There should be a review of the ownership structure of banks. There should be more dispersed ownership to include both management and investors. This way chances of creative accounting practice can be minimized. Ibtihaleet al., (2022), dedicated the financial position desired by the company management; stakeholders are informed of what the management wants them to perceive. Creative accounting can be used to manipulate financial information from its correct and accurate form by exploiting existing rules or, in many cases, ignoring one or more rules. Aggarwal (2022), argued that the creative accounting is not prohibited, its widespread use has had alarming implications on financial accounts, resulting in financial fraud and the looting of people's money around the world. Investors' "hard-earned money" is stolen, and there is no way to stop it because the mechanisms and legal bodies are still working to solve the problem, so it is critical to understand about "creative accounting". Earlier AS were applied in preparation and presentation of financial statements which are shifted to Ind AS for all large companies. Ind AS provides more focus on fair valuation of various items which includes application of judgement and principles. Hence, it becomes more imperative to understand the concept of creative accounting. This research contributes to a better understanding of the rise of "creative accounting" and how it has led to "accounting fraud and financial crimes" in the economy. Abed et al (2022), argued that the financial position desired by the company management; stakeholders are informed of what the management wants them to perceive. Creative accounting can be used to manipulate financial information from its correct and accurate form by exploiting existing rules or, in many cases, ignoring one or more rules. Therefore, the methodology of the present work contributes to the existing literature by systematically reviewing the impacts of creative accounting determinants on financial reporting quality, especially in the banking sector. In this review, we describe and critically analyze previous relevant works to identify and assess the relationship between the constructs addressed in the study. In conclusion, this study offers insight for academia, researchers, and practitioners on determining creative accounting practices and their influences on fraudulent financial reporting between 2015 and 2020. Lastly, the present study contributes to the existing information by conducting new research on creative accounting determinants to enhance the quality of financial reporting and, therefore, help professionals to improve practices within the profession. Jarrah et al (2022), concluded that there was a role

for IA (including independence objectivity, verifiability, professional care, and impartiality) in limiting the effects of CA on the reliability of financial statements in Jordanian Islamic Banks. Ustinova et al (2021), showed that The article is devoted to the consideration of methods for identifying creative accounting that provide the ability for users of statements to assess the ability to rely on financial statements as an information basis for making economic decisions. At the same time, the initial assumptions for the use of various methods are substantiated, a classification of the methods used is given, and an analysis of their strengths and weaknesses is carried out on the basis of the experience of foreign researchers. General recommendations are formulated for adapting the methods used abroad to Russian practice. Rezaei Pitenoeei & Safari Qerayli (2019), argued that Increased accounting fraud has rendered large companies bankrupt and raised concerns over the quality of financial statements. Therefore, investors, regulators, directors and accountants have always devoted particular attention to the detection of the potential frauds in financial statement. The literature is inclined to believe that firms with less readable financial statements are more likely to engage in fraudulent behaviors. In line with this argument, therefore, the present study seeks to investigate the impact of financial statement readability on the likelihood of corporate accounting fraud. To this end, Fog index and Flesch index were employed to measure the readability of financial statements, and the Audit Standard No. 240 was also used to identify the potential fraudulent misstatement in financial statements. The research hypothesis was designed based on a sample of 115 firms listed on the Tehran Stock Exchange over the period of 2013-2017, and then tested using the logistic multivariate regression model. The findings reveal that financial reporter readability mitigates the likelihood of accounting fraud. Also, the result of sensitivity test indicates that using an alternative proxy to measure financial reporter readability incurs no significant effect on the main results of the study, thereby confirming the robustness of the findings.

The innovation of the research problem is that so far no internal research has been observed that has dealt with the identification and determination of creative accounting components and due to the lack of sufficient theoretical support, the Data foundation method has been used This approach can be innovative and valuable in creating a new theory.

3- Theoretical Framework

The discussion of information transparency is one of the most important accounting topics that helps users make decisions. Based on decision-based theories, accounting consists of two perspectives: information and measurement. The information perspective is more related to the relevance of accounting information to economic decisions, and the measurement perspective is more related to the reliability of accounting information for economic decisions. The discussion of creative accounting, although it is also related to information theories, but it is more compatible with measurement-based accounting theories. The ideal

state of accounting is that the accounting figures correspond to the economic numbers. From the point of view of accounting, more emphasis is placed on the correct calculation of accounting figures and numbers. That is, the accuracy of measurement is very important in this view and creative accounting has caused problems in this theory (Scott, 2008: 84-85).

1-3- Creative Accounting

Creative Accounting is a term developed primarily by practitioners and commentators (the press) of market activity. Their idea of Creative Accounting was not based on any theory and was formed solely from their observations around the market (Vojoudi Nobakht et al., 2021). The motivations for such activity are to mislead investors by presenting what they wish to see, for example, a chart showing a steady increase in profits; Therefore, the term Creative Accounting is quite general and as you have seen in the previous section, it originated from the work of the British (Remenaric et al., 2018). Such extensive manipulations are among the extreme anomalies of the market. The behavior of market participants should be explained and interpreted differently from what is proposed in the efficient market hypothesis. In fact, the Kurd labor stabilization hypothesis may be more appropriate for a system where manipulations are widely dispersed and have significant effects on investors' perception of risk and potential returns of companies (Ogoun & Atagboro, 2020). The method used by researchers in this field is a deep analysis of accounts in order to find suspicious applications of accounting procedures and standards; therefore, their analysis relies on the researcher's experience and knowledge to distinguish between acceptable and unacceptable methods. The findings of these studies indicate that the accounts have been effectively manipulated to create a better image of the company and to convince investors to accept a lower rate of return (Uwah & Akpan, 2019).

2-3- Creative Accounting methods

To determine whether a company uses one or more methods in Creative Accounting, classification of Creative Accounting methods seems necessary. The possibility of fraudulent accounting may arise in the following main areas: legal flexibility, absence of law, management judgment regarding future expectations, timing of certain transactions and reclassification and presentation of financial figures.

Legal flexibility: Accounting standards often allow the choice of one of several procedures (for example, in the case of asset valuation). It gives the preparers of financial statements the right to choose. Business units may change their accounting procedures quite correctly (Shahatha et al., 2022).

Absence of law: Some fields are not completely legal. For example, there are very few legal requirements regarding the accounting for stock options. In some countries, including Spain, the accounting standard is limited, for example, to the recognition and measurement of pension liabilities and certain aspects of accounting for financial instruments (Gudev, 2020).

Management: Management has considerable powers to estimate in optional areas and items. Timing of some transactions, real and normal transactions can also be scheduled in such a

way that they have the desired effect on the accounts. For example, suppose a company has an investment at historical cost that could easily be sold at a higher price than its current value. The managers of the company can freely decide when to sell the mentioned investment and increase the profit as a result (Vojoudi Nobakht et al., 2021). Creative transactions can be used both to manipulate balance sheet amounts and to transfer profits between accounting periods. This can be done by entering into two or more related transactions with a binding third party such as a bank. For example, suppose an agreement is made to sell an asset to a bank and then lease that asset from the bank for the remainder of its useful life. The sale price of such a sale and re-lease agreement can reach more or less than the current value of the property, because the difference can be compensated from the increase or decrease of rents (Comandaru et al., 2020).

Timing of some transactions: Real and normal transactions can also be scheduled in such a way that they have the desired effect on the accounts. For example, suppose a company has an investment at historical cost that could easily be sold at a higher price than its current value. Company managers can freely decide when to sell said investment and thus increase profits (Alderson et al., 2021). Creative transactions can be used both to manipulate balance sheet amounts and to transfer profits between accounting periods. This can be done by entering into two or more related transactions with a binding third party such as a bank. For example, suppose an agreement is made to sell an asset to a bank and then lease that asset from the bank for the remainder of its useful life. The sale price of such a sale and re-lease agreement can reach more or less than the current value of the property, because the difference can be compensated from the place of increase or decrease in rents (BozorgAsl et al., 2021).

Reclassification: The study of Cugova & Cug (2020) indicates that companies may reclassify liabilities and manipulate balance sheets to smooth out leverage and liquidity ratios. A special type of Creative Accounting that deals with the presentation of financial figures based on reference points in time; but according to Faktorovich's study (2021), such classification is based on income, expenses, assets and liabilities. With the explanation that methods of Creative Accounting that are used in the presentation of profit and loss accounts and cash flow statements are added to these items. Specifically, this classification includes the following:

- A) Premature or fake recognition of income
- B) Procedures related to overcapitalization and depreciation periods
- C) Inaccurate reporter of assets and liabilities
- D) Creativity in the profit and loss account
- E) Issues related to cash flows

4- Methodology

The present research method is of a qualitative type with an exploratory nature. The research strategy is Grounded theory. This method based on 3 types of open, axial and selective coding, which are described below.

Open Coding: Coding is the process of data analysis. Open coding is a part of the data analysis process that deals with breaking down, comparing, naming, conceptualizing and categorizing data. During open coding, the data is broken down into separate parts and analyzed to obtain similarities and differences. Open coding involves the following procedures.

Axial coding: Axial coding is the second stage of analysis in grounded theory. The purpose of this step is to establish the relationship between the categories generated in the open coding step. This coding is called axial because coding occurs around the axis of a category. At this stage, the researcher chooses one of the categories as the central category, explores it under the title of the central phenomenon in the center of the process, and determines the relationship of other categories with it.

Selective coding: The desired phenomenon is the central idea and thought, the event, the incident or the event that the flow of actions and reactions are directed towards to manage, control or respond to it. The central phenomenon is related to the main question, what does the data indicate? The central category is an idea (image, concept) or a phenomenon that is the basis and axis of the process. This category is the same title (conceptual name or label) that is considered for the created framework or plan. The category that is chosen as the central category should be sufficiently abstract and other main categories can be related to it. Strauss (1987) stated the following features of choosing a central category.

In open coding, the main categories and themes around the studied phenomenon are identified. In focus coding, categories are systematically refined and linked with subcategories. Finally, through selective coding, the research model is presented. The provided template includes the causal conditions; contextual conditions; intervening conditions; strategies and consequences.

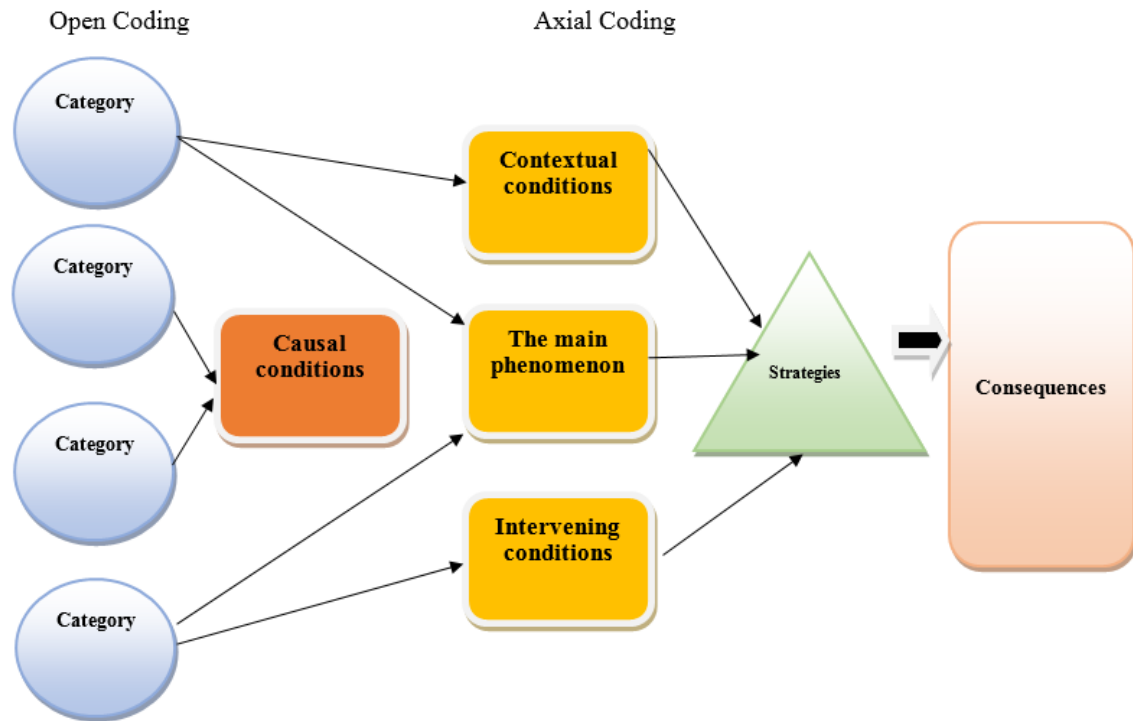


Figure 1- Presentation of the model in data base theorizing

Statistical population: Examples of research expertise are experts, knowledgeable experts and experts in the field of accounting and university professors. In the current research, sampling was done using the logic of theoretical sampling and judgment method, and a total of 15 experts in this field were interviewed. Table 1 shows the demographic characteristics of the research:

Table 1. The demographic information of the interviewees

	Index	Qty	Percentage
Gender	Male		60
	Female		40
Field of Study	Accounting		80
	Financial Management		20
Work experience	Between 5 - 10 years		20
	Between 11 - 20 years		60
	20 years and above		20
Job	Auditor		40
	Financial manager		20
	Accountant		20
	College professor		20

The validity of the research was achieved with the continuous and long-term engagement strategies of the researcher with the process of collecting and analyzing the research data, reviewing and verifying the participants' participation by calculating the Cohen's kappa index and using SPSS software, and the results are presented in Table 1. In order to collect information in the field of theoretical foundations and research literature, library resources, articles, required books and the global information network have been used. In field studies, semi-structured interviews were used. The duration of each interview varied between 60 and 120 minutes and the interviews were recorded with the consent of the participants using a tape recorder and the participants were assured of the confidentiality of the information. The interviews were conducted twice (once to it was done for the purpose of collecting information and the second time to confirm the information). The research data were analyzed in three main stages: open coding, central coding and selective coding.

Table 2. Status of kappa index and the results of Cohen's kappa coefficient

Statistical results (Cohen's kappa coefficient)		Numerical value of Kappa index	Agreement status
Value	0.961	Less than 0	Weak
		0-0.2	Unimportant
Index number	110	0.21-0.4	Medium
		0.41-0.6	Appropriate
Significance	0.0001	0.61-0.8	Valid
		0.81-1.00	Excellent

5-Findings

The main question of the research was: "What is the conceptual model of Creative Accounting?" To answer this question, it was necessary to answer the sub-question: "What are the main factors and indicators of Creative Accounting?" To answer this question, semi-structured interviews were conducted. During the interview, the participants were asked questions such as: In your opinion, what factors affect Creative Accounting? What are the challenges and obstacles to Creative Accounting? And How to overcome the challenges and obstacles of Creative Accounting? What is your way to implement the fight against Creative Accounting? What consequences of the fight against Creative Accounting?

The interview data were analyzed in three steps as follows:

The first step, open coding: before starting to code the data, the researcher wrote down all the recorded interviews in handwritten form and listened to the interview once again and compared it with the handwritten text. to make sure that nothing was left out, then he typed the manuscripts in Word software and coded the interview, 233 key sentences (concepts) were extracted from the interview text, and the same number of initial codes were obtained by removing the codes 120 codes were extracted by repeating and merging similar codes.

The codes were sent to 8 of the experts participating in the research for approval. According to the experts' opinion and the researcher's diagnosis, 4 codes were removed and 6 codes were merged with other codes, and finally 110 open codes were obtained.

The second step, axial coding: the purpose of this step is to establish the relationship between the categories produced in the open coding step. Open codes were systematically categorized. However, these are still not the main categories that are finally integrated to form a larger theoretical structure, so that the results of the research take the form of a theory. In this step, 110 open codes extracted in the first step were categorized into 15 core codes and sent again to 8 experts who participated in the previous step. Table 3 shows the classification of open codes and axial coding.

Table 3. Classification of open codes and extraction of core codes

Open coding	Axial coding
Basic features	<ul style="list-style-type: none"> - Removing obstacles and weaknesses in reporter laws -Integration of accounting rules and regulations -The complexity of the reporter activity -Supervisory ability -Political affiliations
Organizational features	<ul style="list-style-type: none"> -The nature of the companies' activity -Size and activity level of the company -Proprietary features -The financial situation of the company- Company experience
Special features	<ul style="list-style-type: none"> -The state of competitiveness -Reforming the structure of the economy -Amendments and changes to existing laws -Gaining the necessary knowledge about the existing changes in the reporter rules -The ability of human capital -Attention to specialization
Commitment	<ul style="list-style-type: none"> -Responsibility of people -Attention to the consequences of financial reporting -Compliance with ethics and values in reporting -The importance of voluntary reporting -Attention to risk -Continuity in financial reporting
Idealism	<ul style="list-style-type: none"> -Access to financial resources -Company profitability -Increase transparency -Reducing information risk -Attracting investors -Increasing the level of responsiveness and Responsiveness -Effective supervision -Stakeholder satisfaction

Legal requirements	<ul style="list-style-type: none"> -The existence of a transparent reporter rating system -Conflict of interest -Preventive laws to prevent reporter violations -Continuous assessment -Formation of specialized working groups
Environmental requirements	<ul style="list-style-type: none"> -Increasing stakeholder interactions (experts, companies, investors, etc.) -Attention to meritocracy -The necessity of the test and the existence of the accountant evaluation system -Employing expert accountants -Compilation of effective accounting standards -Cost identification and management
Management features	<ul style="list-style-type: none"> -Reputation and experience of managers -Examination and selection of managers -Use of capable and efficient managers -Specialization of managers -Neutrality and independence of managers -Motivational approaches of managers
Structural features	<ul style="list-style-type: none"> -Corporate identity -Reporter process -Responsibility and prevention of corruption -Alignment of company goals and reporting -Existence of active systems to track problems -Removing restrictions on communication with stakeholders -Team orientation of people
Monitoring features	<ul style="list-style-type: none"> -Balancing expertise and activity -Knowledge of financial strategies -Adequate knowledge of international standards and laws -Ability of future forecasts of reporting -Utilization of expert auditors -Neutrality and independence of auditors -Establishing regulatory bodies and increasing interactions between -Stakeholders -Identify challenges
Data management	<ul style="list-style-type: none"> -Optimization of reporting -Risk management -Suitability of financial events and reporting -Providing a database -Increasing people's awareness -Resource optimization -Achieving a comprehensive and complete plan for reporter control -Financial intelligence -Improved accounting
Compatibility	<ul style="list-style-type: none"> -Improving laws related to financial reporting -Increasing skill and expertise -Increase academic engagement and experiences -Decision making and legislation -Improving owner-manager interactions

	-Empowering people
Legal reporting	<ul style="list-style-type: none"> -Solving agency problems -Training and increasing reporter requirements -Effective and fast monitoring -Improving accountability and responsiveness -Business continuity -Reduction of opportunism -Multilateral control framework -Organization of reporter rating -Strengthening tax laws
Economic consequence	<ul style="list-style-type: none"> -Increasing the efficiency of the company -Effectiveness of decision making -Realizing the rights of all stakeholders -Fund management and cost reduction -Improving the assessment of investment benefits -Crediting -Optimal allocation of resources -Investment attraction -Increasing the value of information -Predictability -Achieving tax justice
Social consequence	<ul style="list-style-type: none"> -The desirability of financial reporting -Reducing financial disorder -Reducing accounting violations -Achieving accounting goals -Observance of neutrality -Increased coordination -Improving access to information -Reduction of lawsuits -Improving the audit process -Strengthening the competence of the accounting profession -Empowering people -Improve decision making -Risk management

The third step, selective coding: In this research, in open coding, concepts and their features were identified and then an effort was made to determine how the concepts change during the determined dimensions. In axial coding, open codes were systematically categorized. However, these are still not the main categories that are finally integrated to form a larger theoretical structure, so that the results of the research take the form of a theory. Selective coding is the process of integrating and improving core codes. The process of integrating and improving the theory in selective coding is through the process of categorization through personal notes about theoretical ideas. In this research, 15 core codes were categorized in

selective codes. The output of Maxqda software at this stage to extract the core codes and selected codes are presented according to the figures.

Table 4. Classification of core codes and extraction of selected codes

Axial codes	Selective codes
Causal conditions	Basic features
	Organizational features
	Special features
A central phenomenon	Commitment
	Idealism
Contextual conditions	Legal requirements
	Environmental requirements
Intervening conditions	Management features
	Structural features
	Monitoring features
Strategy	Data management
	Compatibility
	Legal reporting
Consequences	Economic consequence
	Social consequence

At the end, the output of the MAXQDA software is presented for the selected codes and the general axis codes:

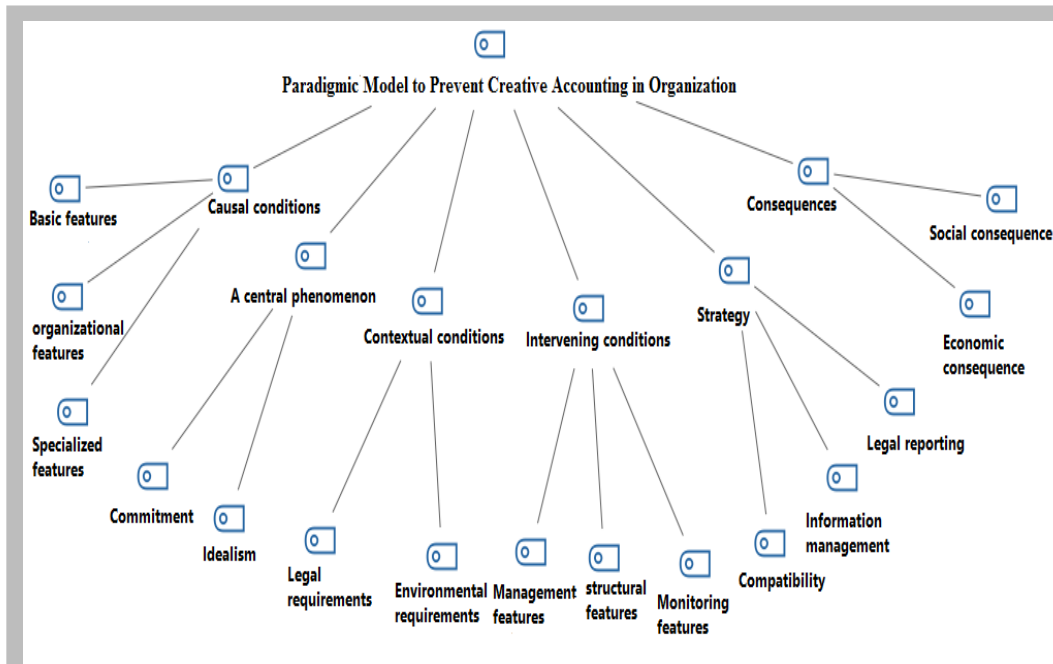


Figure 2. The output of MAXQDA software, axial and selective coding of research data

At this stage, it also includes drawing a diagram, which is called a coding pattern. The coding pattern shows the relationships between the causal conditions, strategies, Contextual, intervening conditions, and consequences.

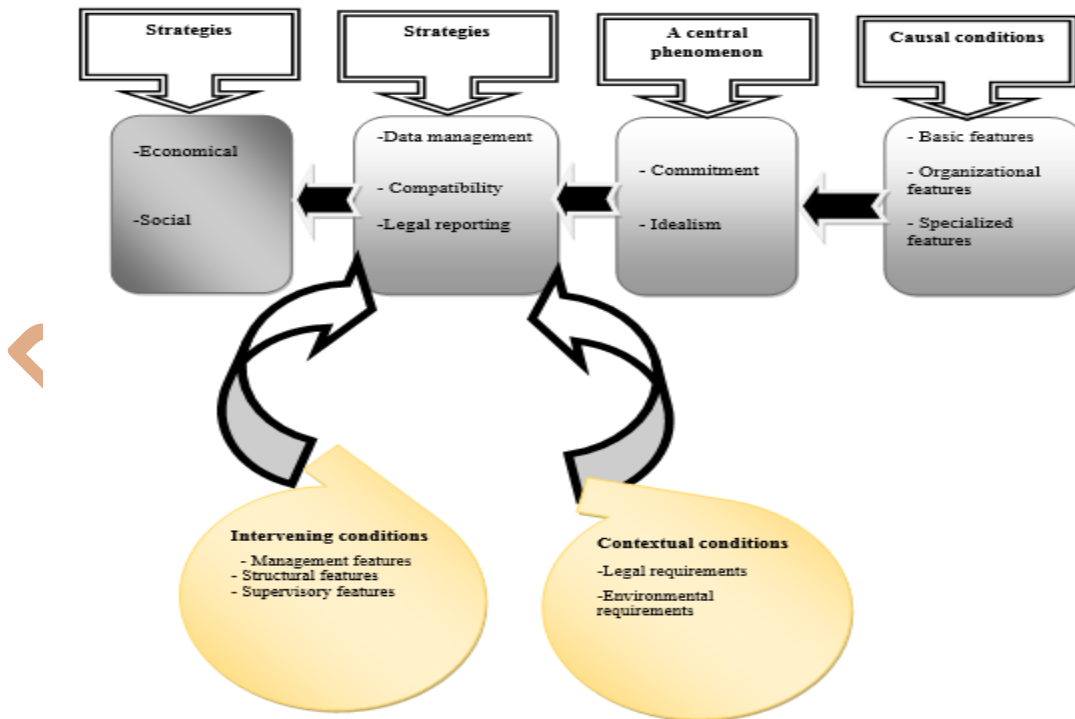


Figure 3. Conceptual model of Creative Accounting

Judgmental propositions (judgments) of the research

Based on the components of coding steps, the following propositions are obtained:

Theorem 1: Fundamental, organizational, and specialized features are considered as causal conditions for the accounting conceptual model.

Theorem 2: The strategy of information management, compliance and legal reporter is an action for commitment and idealism.

Theorem 3: Legal requirements and environmental requirements create a specific background and platform for the realization of information management strategy, compliance and legal reporting.

Theorem 4: Intervening conditions of managerial features, structural features and supervisory features provide a common platform for the realization of information management strategy, compatibility and legal reporting.

Theorem 5: Information management strategy, compliance and legal reporting, intervening conditions, managerial, structural and supervisory features and contextual conditions, legal requirements and environmental requirements will result in economic consequences and social consequences.

6- Discussion and conclusion

Based on the research findings, 15 categories of fundamental characteristics, organizational characteristics, specialized characteristics, commitment, idealism, management characteristics, structural characteristics, regulatory characteristics, legal requirements, environmental requirements, information management, compliance, legal reporting, economic consequences and social consequences of accounting model dimensions.

In this research, in order to determine the components of fictitious accounting and identify its principles as best as possible, the data foundation method is rooted in the interpretative conceptual of symbolic interactionism.

The causal categories of the designed creative accounting model are fundamental, organizational and specialized features. The fundamental features include important categories such as removing obstacles and weaknesses in reporter laws, integrity of accounting laws and regulations, complexity of reporter activity, supervisory capability, etc. As the extent of manipulation and unfair reporter has been mentioned in the accounting literature, this shows that there are many content deviations in accounting that are affected by the weakness of current laws and accounting principles. In this research, specialists and experts have emphasized on strengthening reporter laws and regulations and reducing complex reporter processes, effective monitoring, etc. In fact, by complying with the above and other fundamental features for financial reporter environments, it is possible to create

accounting that enables the production and presentation of fair reports in advance in the accounting profession. This findings is in line with the research of Shahatha et al., (2022). Also, based on the results of the categories of intervention conditions, the designed creative accounting model is managerial characteristics, structural characteristics, and supervisory characteristics. Based on the results of the fourth chapter, this research is also largely with the researches of Akpanuko & Umoren (2018); Afriyie et al. (2022); Gupta & Kumar (2020). The categories of background conditions of the designed creative accounting model are legal requirements and environmental requirements. Examining the existing laws in the field of fraud disclosure and the opinions of the employees of organizations about these laws seems important. Past studies have reached results about the effect of some variables on people's disclosure intention, and the use of these results can help to improve people's disclosure intention, which indicates that achieving a legal framework for accounting can strengthen creative accounting and financial reporting. Environmental requirements of organizations to all factors that affect the organization and are affected by it; or the interaction of the internal dimensions of the organization with each other and with factors outside the organization. The information environment and environmental requirements refer to the space outside the organization, which the organization always seeks to clarify and reduce its ambiguity. Based on the results of the categories of the designed creative accounting model strategies, it is information management, compatibility and legal reporting, which was in line with the results of the research of Kwok (2017). Information management improves the reporter activity of the management performance index in providing the necessary information in a correct, clear, timely and accessible way. This index reflects whether investors have a true picture of what is really going on inside the company or not. Improving the reporter activity has been defined as the ability to have wide access to relevant and reliable information about financial performance, financial status, etc. Information management will allow more knowledge and awareness to be obtained in relation to customers and the existing conditions of the company, on the other hand, accountants and auditors will have a better understanding in relation to more complex standards and implement them correctly, as a result, creative accounting will be improved. And this is consistent with the research of Bhasin (2015). Finally, based on the results of the fourth chapter, the consequences of the designed fictitious accounting model are economic and social consequences, which was consistent with the research of Cooper (2015). He showed economic consequences are defined as "the financial and economic effects of financial reports on the decision-making behavior of the business unit, the government, unions, investors and creditors, and other interested parties." The essence of this definition is that accounting and financial reports can affect the real decisions of managers and other parties to the company's contract, as well as the value of the company. Financial information can affect the level of risk of the company and the ratio of capital formation in the economy and lead to the redistribution of wealth among consumers and investment in the economy.

Suggestions

- Creative accounting causes weak relevance and reliability of information, so it is better for standard setters to develop standards in this field to prevent fictitious accounting and thereby increase the credibility of financial reports;
- It is recommended to the stock exchange organization to strengthen the structure of the corporate governance system in order to strengthen financial reports and prevent creative accounting;
- Managers are advised to use detailed organizational planning systems, especially the coordination of organizational characteristics (such as the size and level of company activity) and structural characteristics (such as accountability and prevention of corruption) as a priority, which will lead to changes in the role of accountants and achieving accounting. It becomes creative and fictitious, which ultimately can free the accountants' time in providing more favorable and detailed information and on the other hand strengthen the process of comments and response. It also provides the possibility of providing more comprehensive analysis to users; In addition, the credibility of the company's report will also increase;
- It is suggested that the stock exchange organization, through the identified components of creative accounting and the formulation of the necessary rules regarding the selection of managers, amend the existing laws, strengthen the disclosure, etc., take decisions in order to spread justice and redistribute the correct information and finally achieve information symmetry;
- According to the findings of the research, the results showed that the intervening conditions affect the dimensions, components and methods of applying creative accounting strategies (information management, compliance and legal reporting), which shows the importance of supervisory characteristics (some audit requirements, especially expertise and independence) and to identify the capabilities needed by managers to achieve the above-mentioned strategies, so it is recommended to company owners that they should pay attention to managerial, structural and supervisory features in order to access strategies, which can create effective strategies;
- Finally, researchers are suggested to identify the factors affecting the reduction of creative accounting and compare it with the results of this research.
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Authors' contributions

All authors had contribution in preparing this paper

Conflicts of interest

The authors declare no conflict of interest

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