Volume 13 Issue 22
Originally issued as D4

Global Journal of Management and Business Research
Accounting and Auditing
Volume 13 Issue 4 Version 1.0 Year 2013
Type: Double Blind Peer Reviewed International Research Journal
Publisher: Global Journals Inc. (USA)
Online ISSN: 2249-4588 & Print ISSN: 0975-5853

Quality of Disclosure of Islamic Banks in Bangladesh: Evidence from a Survey

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GJMBR-D Classification : JEL Code: G21



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Quality of Disclosure of Islamic Banks in Bangladesh: Evidence from a Survey

Md. Hafij Ullah

Abstract - Accounting and financial reports of the corporations are primarily prepared for the external users of the information and therefore such reports should be designed, in form and content, according to the needs of the external users. Hence the perceptions of the users of accounting information regarding various aspects of the reports are to be assessed frequently to improve the quality of accounting information of the public limited companies. The present study is an attempt to justify the qualitative characteristics of accounting information of Islamic banks in Bangladesh on the basis of the opinion of the users of that information; to test whether there is any significant difference in opinion of them in this regard and to identify whether there is any problem of quality in accounting information provided by Islamic banks in Bangladesh.

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I. Introduction

Quality may be defined as 'minimum standards designed to ensure satisfaction from a product or service' (Black, 2002). Hanson (2007) defined quality as 'a measure of conformance of a product or service to certain specifications of standards.' Following these definitions, quality disclosure is conceptualized as disclosure practices that meet 'the minimum standards of financial reporting set by regulatory bodies and regulations for the benefit of relevant accounting information to stakeholders (Iyoha, F.O., 2011).' Following this conceptualization, quality of disclosure practice is decomposed into a disclosure practice that demonstrates relevance, reliability and comparability. According to Hanson (2007), relevance, reliability and comparability are qualities associated with information that is 'timely, useful, verifiable, and neutral, has predictive value and makes a difference to a decision maker.'

The quality of disclosure practice is essential to the needs of users who require quality accounting information for investment and other decision making purposes (Iyoha, F.O., 2011). Accounting information is regarded as useful when it faithfully represents the 'economic situation' of an organization in terms of relevance, reliability and comparability (Spiceland, Sepe and Tomassini, 2001). Useful accounting information which derives from qualitative financial statements, help in efficient allocation of resources by reducing dissemination of asymmetric information and improving pricing of securities (Chambers and Penman, 1984, and Ahmed, 2003). In an environment of quality disclosure practice, there are no deferral of loss recognition, extra reserves are not created and volatility in income is not smoothed away to create an artificial and misleading picture of balanced and consistent growth. Therefore, high-quality accounting practice should produce financial statements that report events timely and faithfully in the period in which they occur (Iyoha, F.O., 2011).

The present study is an endeavor to evaluate the qualitative characteristics of accounting information provided by Islamic banks in Bangladesh. For this purpose, next section discusses the objectives of the study followed by methodology of the study. Then relevant literatures are presented followed by the qualitative characteristics of accounting information and then the analyses of the perceptions of the respondents were discussed. Finally, the study is concluded giving the summery of the findings of the detail analyses.

II. Objectives of the Study

The main objective of the study is to evaluate the quality of accounting information of the Islamic banks in Bangladesh. To achieve the main objective, the specific objectives were setout as below:

i. To know about the qualitative characteristics of accounting information, in general.
ii. To evaluate the quality of the information provided by Islamic banks in Bangladesh.
iii. To test whether there is significance difference of opinion of different respondent groups regarding quality of accounting information of the sample banks.
iv. To identify whether there is any problems of quality in accounting information of the Islamic banks in Bangladesh.

III. Methodology of the Study

The study is mainly based on primary data, that is, opinion survey of the different respondent groups who use the information of Islamic banks in making decision. Secondary data were also used for relevant literature review.

a) Questionnaire Survey

The questionnaire survey of the study includes a target sample of 150 in total consisting of 30 professional accountants, 30 accounting professors, 30 bank

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executives from different Islamic banks, 30 stock brokers and 30 investors in Islamic banking shares. As per thumb rule, for each question there should have 5 samples for which reason 150 sample were being taken here for about 30 questions. The survey was conducted during the months February through June of 2012.

Table 1 : Showing the target sample and rate of collection the questionnaire

Sl. No.	User Group	Target Sample	No. of Collections	Rate of Collection (%)	% of the Target Sample
1	Professional Accountant (P.A.)	30	19	63.33	15.70
2	Accounting Professor (A.P.)	30	21	70.00	17.36
3	Bank Executives (B.E.)	30	30	100.00	24.79
4	Stock Broker (S.B.)	30	22	73.33	18.18
5	Investor (I.V.)	30	29	96.67	23.97
	Total	150	121	80.67	100.00

From Table 1, we observe the size of target sample and rate of collection from the different groups of the respondents. The achievement of target is highest in case of bank executives that is 100%, the second highest collection is from investors that is 96.67% and lowest achievement of target was in case of professional accountants that is only 63.33%. The overall achievement of target of collecting questionnaire was 80.67% and this is good in compare to that of other similar studies. The percentage (%) of the sample shows that percentage of the bank executive category is the highest that is 24.79% compared with the other four categories. The second highest category in the sample is investor of 23.97% and the lowest percentage is in case of professional accountants of 15.70% among all the category of the respondents. The achievement of target of collection of questionnaire is above the rate mentioned by Ahmed, A.A., (2009), Ali, Khan, Fatima and Masud (2008) and Moser and Kalton (1971) as being sufficient for a study leading to policy making.

b) Data Analysis

The collected data were analyzed using SPSS software version 17.0 and statistical technique $\chi 2$ test is used to justify whether there is any significant difference of opinion of the respondents regarding the qualitative characteristics of the information of the Islamic banks in Bangladesh.

IV. Literature Review

Accounting and financial reports of the corporations are primarily prepared for the external users of the information and therefore such reports should be designed, in form and content, according to the needs of the external users (Radebough, and Gray, 1993). Hence, the perceptions of the users of accounting information regarding various aspects of the reports are to be assessed frequently to improve the quality of the accounting and reporting practices of the public companies (Epstein, 1975). Iyoha, F.O., (2011) conducted a study on 61 Nigerian industries including 17 banking, 16 insurance, 5 conglomerates, 9 petroleum marketing, 3 agriculture, 7 food/beverage and 4 health industries for evaluation of the quality of accounting practice for which he collected opinion from a total of 154 respondents consisting 43 compilers and 111 users of information. Iyoha, F.O., (2011) found that there is a significant difference in the quality of accounting practice among industrial sectors in Nigeria in terms of relevance and reliability. In terms of relevance which deals with timeliness of financial reporting, the banking sector was found to be more compliant than other sectors in the Nigerian economy. In terms of reliability of accounting practice, the banking sector was found to be less transparent in financial reporting even though other industrial sectors were also involved in earnings manipulation. In a study on the pharmaceutical industries in Bangladesh, Hossain, M.S., (2010) conducted a survey on the perceptions of 140 respondents including 60 users of financial statements (investors), 48 managers of the sample companies, 8 employees of regulatory agencies, 12 professional accountants and 12 accounts preparers regarding the qualitative characteristics of the accounting information. Hossain, M.S., (2010) found that perceptions among the corporate managers, regulators and professional accountants are more or less similar and their satisfaction level is high but investors' perceptions is at low level. He found and commented that the perceptions of the sample investors vary in a significant manner from other users. Ahmed, A.A., (2009) conducted a study on only 12 general banking companies of Bangladesh. In his study, a survey was conducted on only 61 samples consisting 9 financial analysts, 12 professional accountants, 10 stock brokers, 13 accounting professors and 17 bank loan officers were taken for evaluating the qualitative characteristics of accounting information of the sample banks. The study found that among the reasons, a majority of the respondents use financial reports for reading and academic interest and for holding or selling shares in their private capacity; annual reports provide adequate and reliable data which are comparable, readable as well as relevant. But the respondents were different in opinion regarding compliance of IAS by the banking companies in Bangladesh. In another study by Ali,

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Khan, Fatima and Masud (2008) provide a useful survey of the attitudes of individual respondents on the different aspects of Bangladeshi annual corporate financial reports. They evaluate the opinions of 25 individual investors and found firstly, that British American Tobacco (BAT) Bangladesh Co. Ltd. makes very poor disclosures on corporate governance on a voluntary basis and secondly, the users of annual reports are in favor of such disclosure. They also found that the disclosures were not sufficient in justifying the goal of corporate governance. In a study in Jordan, Abu-Nasser and Rutherford (1996) exposed the view of 224 external users including individual shareholders, institutional shareholders, bank loan officers, stock brokers and academics of corporate reports. In terms of the usage of the annual report, Abu-Nasser and Rutherford (1996) found bank loan officers to be the heaviest users of the annual reports in Jordan while individual shareholders and the academics were found to be the least. They also found that the income statement and balance sheet to be the most widely read parts of the annual corporate reports by all groups of the users. They found that though the annual reports are the most important source of information to all users but the users are poorly satisfied over the qualitative characteristics of the information. Anderson and Epstein (1995) conducted another study on Australian individual investors for evaluating the usage of annual corporate reports. They found that Australian investors use corporate annual reports as third important basis of making investment decision after stock brokers' advice and financial newspapers and magazines. They found that investors perceive income statement to be more useful than directors' report but investors read directors' reports more thoroughly than income statement and investors want more explained and simplified information and more information regarding pending litigation, unasserted claims, management audit and information on change of auditor in annual reports. In that study the authors did not statistically determine whether the difference between the pattern of readership of annual reports' sections and the perceived usefulness of such sections of any significance in the Australian environment. Recognizing the needs for research in this area Anderson (1981) conducted a study on 188 institutional investors in Australia to justify the importance of annual reports in making investment decision. He found that Australian institutional investors depend mostly on annual reports for making investment decision followed by visits to the companies. Institutional investors mostly read balance sheet, profit and loss account, notes to the accounts and chairman's statement respectively. The study found that the institutional investors want more information regarding company's product, current value of long term assets and remuneration of the directors in annual reports. But the study did not statistically justify whether there is any significance difference between actual and perceived importance of using annual reports. Baker and Halsem (1973) performed a one of the pioneering studies in this area regarding identification of information needs and sources of such information of the individual investors. The study found that most of the individual investors rely heavily on stock brokers' advice as the main source of information regarding companies for making investment decision but only 8% of them use financial statement for this purpose. The authors also found that the individual investors gives emphasis on getting information regarding the future expectations of the company but less importance on the dividend performance.

V. Qualitative Characteristics of Accounting Information

The SFAC No. 2 of the FASB examined the characteristics that make accounting information useful. These characteristics are stated below (Porwal, 2010):

a) Understandability

It is the quality of information that permits reasonably informed users to perceive its significance, i.e. to understand the content and significance of financial statements and reports.

b) Relevance

Relevant information is crucial in making the correct investment decision. Accounting information has relevance if it makes a difference in a decision.

c) Predictive Value

The quality of information that helps users to increase the likelihood of correctly forecasting the outcome of past or present events.

d) Feedback Value

The quality of information that enables users to confirm or correct prior expectations.

e) Timeliness

Having information available to decision maker before it loses its capacity to influence decisions.

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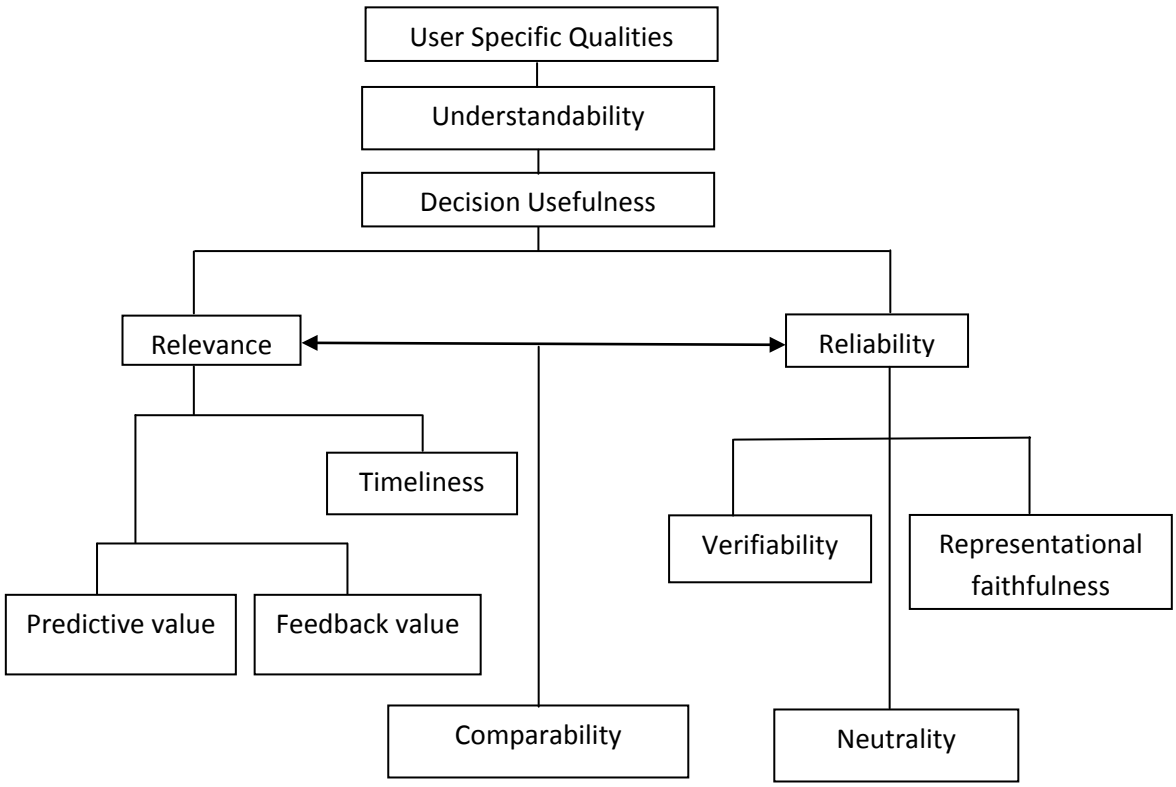

Source : Financial Accounting Standards Board (1980)

Graph 1 : Showing the hierarchy of qualitative characteristics of accounting information

f) Reliability

Information is reliable if it is free from error and bias, and faithfully represents what it purports to represent. If the information is not reliable, then no investor can rely on it to make an investment decision.

g) Verifiability

The ability through consensus among measurers to ensure that information represents what it purports to represent or that the chosen method of measurement has been used without error or bias.

h) Neutrality

It is absence in reported information of bias intended to attain a predetermined result or to induce a particular mode of behavior. The information should not favor one set of interest over others.

i) Representational Faithfulness

Correspondence or agreement between a measure or description and the phenomenon that it purports to represent. From the accounting point of view, it is correspondence between the accounting figures and descriptions and the resources or events that these figures and descriptions represent.

j) Comparability

The quality of information that enables users to identify similarities in and differences between two sets of economic phenomena.

k) Consistency

Consistency means conformity from period to period with unchanging policies and procedures. Accounting changes hinder the comparison of operation results between periods as the accounting used to measure those results differ.

VI. Evaluation of the Quality of Disclosure of Islamic Banks

a) Educational Qualifications of the Respondents

The highest level of educational qualifications of the respondents is stated in the Table 2. As per the Table, maximum 79.3% of the respondents have Masters Degree, secondly 15.7% of them have only Bachelor Degree and only 5.0% of them have PhD Degree. More specifically, all PhD Degree holders are from accounting professors, 96.7% of the bank executives and 89.5% of the professional accountants have Masters degree but maximum bachelor degree holders are from the investors.

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Table 2 : Showing the educational qualifications of the respondents

Educational Qualifications		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Bachelor	Count	2	0	1	5	11	19
	% within Res_Grop	10.5%	.0%	3.3%	22.7%	37.9%	15.7%
Masters	Count	17	15	29	17	18	96
	% within Res_Grop	89.5%	71.4%	96.7%	77.3%	62.1%	79.3%
Ph.D.	Count	0	6	0	0	0	6
	% within Res_Grop	.0%	28.6%	.0%	.0%	.0%	5.0%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

N.B.: P.A.= Professional Accountant, A.P.= Accounting Professor, B.E.= Bank Executive, S.B.= Stock Broker and I.V. = Investor.

b) Professional Educational Qualification of the Respondents

Professional educational qualifications require to make a person specialized in a particular field. It is better to have professional degree on accounting for better understanding and evaluation of the quality of financial accounting reports. The study reveals that 60.3% of the respondents have no or other professional educational qualifications and out of the respondents having professional education 23.9% of them either have CA or CMA or both CA and CMA degree. All professional accountants have professional education; maximum 68.4% of the professional accountants have only CA degree; 56.7% of the bank executives have MBM or Banking Diploma but 100% of the stock brokers and 93.1% of the investors have no or other professional education.

Table 3 : Showing the professional educational qualification of the respondents

Professional Education		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
CA	Count	13	2	1	0	0	16
	% within Res_Grop	68.4%	9.5%	3.3%	.0%	.0%	13.2%
CMA	Count	5	4	0	0	0	9
	% within Res_Grop	26.3%	19.0%	.0%	.0%	.0%	7.4%
Both CA and CMA	Count	1	1	2	0	0	4
	% within Res_Grop	5.3%	4.8%	6.7%	.0%	.0%	3.3%
MBM/ Banking Diploma	Count	0	0	17	0	2	19
	% within Res_Grop	.0%	.0%	56.7%	.0%	6.9%	15.7%
Others or None	Count	0	14	10	22	27	73
	% within Res_Grop	.0%	66.7%	33.3%	100.0%	93.1%	60.3%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

c) Age Distribution of the Respondents

The age of the respondents in the study varied from below 25 years to above 55 years. Table 4 reveals that maximum 30.6% of the respondents having the age of 30-35 years, 21.5% of them fall in the age of 35-40 years and 16.5% of them are in the age of 25-30 years. Further, only 5.8% of the respondents having age of more than 50 years. More specifically 42.1% of the professional accountants are in the age of 25-30 years, 40.9% of the stock brokers, 36.7% of the bank executives and 33.3% of the accounting professors are in the age of 30-35 years.

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Table 4 : Showing age distribution of the respondents

Age Group		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Below 25	Count	0	0	2	1	0	3
	% within Res_Grop	.0%	.0%	6.7%	4.5%	.0%	2.5%
25-30	Count	8	1	4	6	1	20
	% within Res_Grop	42.1%	4.8%	13.3%	27.3%	3.4%	16.5%
30-35	Count	4	7	11	9	6	37
	% within Res_Grop	21.1%	33.3%	36.7%	40.9%	20.7%	30.6%
35-40	Count	4	3	8	2	9	26
	% within Res_Grop	21.1%	14.3%	26.7%	9.1%	31.0%	21.5%
40-45	Count	3	5	1	2	4	15
	% within Res_Grop	15.8%	23.8%	3.3%	9.1%	13.8%	12.4%
45-50	Count	0	3	3	2	5	13
	% within Res_Grop	.0%	14.3%	10.0%	9.1%	17.2%	10.7%
50-55	Count	0	1	1	0	2	4
	% within Res_Grop	.0%	4.8%	3.3%	.0%	6.9%	3.3%
Above 55	Count	0	1	0	0	2	3
	% within Res_Grop	.0%	4.8%	.0%	.0%	6.9%	2.5%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

d) Working Experience of the Respondents

To identify the working experience of the respondents, few options of range of working experience varying from less than 5 years to more than 20 years were provided in the questionnaire. The results tabulated in the Table 5 reveals that 38.0% of the respondents have less than 5 years of working experience, 31.4% have experience of 5-10 years, 15.7% of them have experience of 10-15 years, about 10% of them have experience of 15-20 years and finally only 5% of them have more than 20 years of experience in their respective area.

Table 5 : Showing working experience of the respondents

Working Experience		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Less than 5 years	Count	10	4	14	13	5	46
	% within Res_Grop	52.6%	19.0%	46.7%	59.1%	17.2%	38.0%
5-10 years	Count	5	7	9	7	10	38
	% within Res_Grop	26.3%	33.3%	30.0%	31.8%	34.5%	31.4%
10-15 years	Count	3	3	4	1	8	19
	% within Res_Grop	15.8%	14.3%	13.3%	4.5%	27.6%	15.7%
15-20 years	Count	1	5	2	1	3	12
	% within Res_Grop	5.3%	23.8%	6.7%	4.5%	10.3%	9.9%
Above 20 years	Count	0	2	1	0	3	6
	% within Res_Grop	.0%	9.5%	3.3%	.0%	10.3%	5.0%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

e) Accounting Qualification of the Respondents

Table 6 shows that 30.6% of the respondents served or serving as account executives; 28.1% of them hold accounting qualifications, that is, accounting degree like bachelor or masters in accounting; 17.4% of them serving as accounting professor and 16.5% of them attended appropriate courses in accounting. Rationally, 100% professional accountants served or serving as account executive and 100% accounting professors serving as accounting teaching position.

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Table 6 : Showing accounting qualification of the respondents

Accounting Qualifications		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Worked / Working as a bookkeeper	Count	0	0	4	1	1	6
	% within Res_Grop	.0%	.0%	13.3%	4.5%	3.4%	5.0%
Attended appropriate course(s) in Accounting	Count	0	0	7	2	11	20
	% within Res_Grop	.0%	.0%	23.3%	9.1%	37.9%	16.5%
Hold Accounting Qualifications	Count	0	0	12	13	9	34
	% within Res_Grop	.0%	.0%	40.0%	59.1%	31.0%	28.1%
Served/Serving as an Account Executive	Count	19	0	7	6	5	37
	% within Res_Grop	100.0%	.0%	23.3%	27.3%	17.2%	30.6%
Serving as Accounting teaching position	Count	0	21	0	0	0	21
	% within Res_Grop	.0%	100.0%	.0%	.0%	.0%	17.4%
None	Count	0	0	0	0	3	3
	% within Res_Grop	.0%	.0%	.0%	.0%	10.3%	2.5%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

f) Opinion of the Respondents Regarding Purposes of using Islamic Banking Reports

Users of accounting information use financial accounting reports for a number of reasons. In the questionnaire of the study, the respondents were asked to identify the purpose of using Islamic banking reports. The results of the opinion survey in this regard are as given below:

Table 7 : Showing opinion of the respondents regarding purposes of using Islamic banking reports

Purpose of using Islamic Banking Report		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
For reading and academic interest	Count	2	18	1	0	0	21
	% within Res_Grop	10.5%	85.7%	3.3%	.0%	.0%	17.4%
To decide buying, holding or selling shares personally	Count	2	1	7	2	28	40
	% within Res_Grop	10.5%	4.8%	23.3%	9.1%	96.6%	33.1%
To decide buying, holding or selling shares for organization	Count	1	2	5	2	0	10
	% within Res_Grop	5.3%	9.5%	16.7%	9.1%	.0%	8.3%
To grant investment (Loan)	Count	1	0	5	6	0	12
	% within Res_Grop	5.3%	.0%	16.7%	27.3%	.0%	9.9%
To make decisions on behalf of clients or employer	Count	11	0	10	2	1	24
	% within Res_Grop	57.9%	.0%	33.3%	9.1%	3.4%	19.8%
To advise clients	Count	2	0	2	10	0	14
	% within Res_Grop	10.5%	.0%	6.7%	45.5%	.0%	11.6%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

As per the opinion of the respondents stated in Table 7, the highest number (that is 33.1%) of them use Islamic banking reports to decide buying, holding or selling shares personally followed by making decisions on behalf of clients or employer (19.8%) and reading and academic interest (17.4%). More specifically 57.9% of the professional accountants use Islamic banking reports for making decisions on behalf of clients or employer; 85.7% of the accounting professor use for reading and academic interest; 45.5% of the stock brokers use for advising their clients and 96.6% of the investors use for making decision to decide buying, holding or selling shares personally.

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g) Opinion of the Respondents regarding Mostly Read Part of Islamic Banking Reports

An annual report contains a number of parts and different parts provide different types and nature of information of difference importance. The respondents were asked which part of the reports of the Islamic banks they read most. The results of the opinion of the respondents in this regard are tabulated in Table 8:

Table 8 : Showing opinion of the respondents regarding mostly read part of Islamic banking reports

Mostly read parts of the reports		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Balance Sheet	Count	3	7	5	4	5	24
	% within Res_Grop	15.8%	33.3%	16.7%	18.2%	17.2%	19.8%
Income Statement	Count	4	6	4	5	7	26
	% within Res_Grop	21.1%	28.6%	13.3%	22.7%	24.1%	21.5%
Directors' Report	Count	1	2	3	2	2	10
	% within Res_Grop	5.3%	9.5%	10.0%	9.1%	6.9%	8.3%
Notes to the Accounts	Count	8	4	2	0	1	15
	% within Res_Grop	42.1%	19.0%	6.7%	.0%	3.4%	12.4%
Ratios and Future Projections	Count	3	2	15	11	13	44
	% within Res_Grop	15.8%	9.5%	50.0%	50.0%	44.8%	36.4%
Chairman's Statement	Count	0	0	1	0	1	2
	% within Res_Grop	.0%	.0%	3.3%	.0%	3.4%	1.7%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 8 reveals that 36.4% of the respondent mostly read ratios and future projections part of Islamic banking reports and a similar percentage of 21.5% and 19.8% of them mostly read income statement and balance sheet respectively and only 12.4% of the respondents mostly read notes to the accounts for making decision. Among the professional accountants 42.1% emphasized on notes to the accounts and 33.3% of the accounting professors on balance sheet but maximum bank executives, stock brokers and investors emphasized on ratios and future projections.

In order to test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 1 : There is no significance difference among the opinions of the respondents regarding mostly read part of the Islamic banking reports.

The $\chi 2$ value obtained using SPSS software is 35.715 at .017 level of significance and hence the null hypothesis is rejected which means that there is significant differences among the opinion of the respondents regarding mostly read part of the Islamic banking reports.

h) Opinion of the Respondents regarding Comparative Reliability of the Islamic Banking Information

The respondents were asked whether the information provided by conventional banks is comparatively more reliable than that of Islamic banks. The results of the opinion of the respondents in this regard are stated in Table 9:

Table 9 : Showing opinion of the respondents regarding comparative reliability of the Islamic banking information

Comparative Reliability		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Yes	Count	6	2	4	7	5	24
	% within Res_Grop	31.6%	9.5%	13.3%	31.8%	17.2%	19.8%
No	Count	13	19	26	15	24	97
	% within Res_Grop	68.4%	90.5%	86.7%	68.2%	82.8%	80.2%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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From the Table 9 it is observed that 80.20% of the respondents think that there is no difference in comparative reliability of the information provided by Islamic banks and conventional banks but 19.80% of the them opined that the information provided by conventional banks are more reliable than that of Islamic banks.

To test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 2 : There is no significance difference among the opinions of the respondents regarding comparative reliability of the information provided by Islamic banks and conventional banks.

The $\chi 2$ value obtained using SPSS software is 5.959 at .202 level of significance and hence the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding comparative reliability of the information provided by Islamic banks and conventional banks in Bangladesh.

i) Opinion of the Respondents regarding Compliance of BAS, BFRS, Companies Act, Banking Companies Act and SEC rules, etc.

Compliance of BAS, BFRS, Companies Act, Banking Companies Act and SEC rules, etc. is mandatory to be followed in accounting and reporting by the organizations. The respondents were asked regarding compliance of these standards/rules by the Islamic banks. The results of the opinion of the respondents in this regard are tabulated in Table 10:

Table 10 : Showing opinion of the respondents regarding compliance of BAS, BFRS, Companies Act, Banking Companies Act and SEC rules, etc.

Compliance of BAS, BFRS, Companies Act, Banking Companies Act, and SEC Rules, etc.		Respondent Group					
		P. A.	A. P.	B. E.	S. B.	I. V.	Total
Strongly Agree	Count	5	11	16	3	6	41
	% within Res_Grop	26.3%	52.4%	53.3%	13.6%	20.7%	33.9%
Agree	Count	10	9	12	15	20	66
	% within Res_Grop	52.6%	42.9%	40.0%	68.2%	69.0%	54.5%
Neutral	Count	2	0	1	3	1	7
	% within Res_Grop	10.5%	.0%	3.3%	13.6%	3.4%	5.8%
Disagree	Count	2	1	1	1	2	7
	% within Res_Grop	10.5%	4.8%	3.3%	4.5%	6.9%	5.8%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 10 shows that only 11.60% of the respondents under study either neutral or disagree in case of compliance of IAS/BAS, IFRS/BFRS, Companies Act, Banking Companies Act, and SEC Rules, etc. by Islamic banks in Bangladesh but 88.40% of them agreed in this regard out of which 33.90 respondents agreed strongly.

In order to test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 3 : There is no significance difference among the opinions of the respondents regarding compliance of IAS/BAS, IFRS/BFRS, Companies Act, Banking Companies Act, and SEC Rules, etc.

The $\chi 2$ value obtained using SPSS software is 19.592 at .075 level of significance and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding compliance of IAS/BAS, IFRS/BFRS, Companies Act, Banking Companies Act, and SEC Rules, etc.

j) Opinion of the Respondents regarding Compliance of AAOIFI Financial Accounting Standards

AAOIFI developed some financial accounting standards that are needed to be followed in case of accounting and reporting by Islamic organizations. The respondents were asked regarding compliance of AAOIFI financial accounting standards by the Islamic banks. The results of the opinion of the respondents in this regard are tabulated in Table 11:

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Table 11 : Showing Opinion of the Respondents regarding Compliance of AAOIFI Financial Accounting Standards

Compliance of AAOIFI Standards		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	3	4	12	0	1	20
	% within Res_Grop	15.8%	19.0%	40.0%	.0%	3.4%	16.5%
Agree	Count	10	12	16	9	16	63
	% within Res_Grop	52.6%	57.1%	53.3%	40.9%	55.2%	52.1%
Neutral	Count	4	4	1	11	10	30
	% within Res_Grop	21.1%	19.0%	3.3%	50.0%	34.5%	24.8%
Disagree	Count	2	1	1	2	2	8
	% within Res_Grop	10.5%	4.8%	3.3%	9.1%	6.9%	6.6%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

It is observed from the Table 11 that 6.6% respondents disagreed and 24.8% opined neutral in case of complying AAOIFI standards by Islamic banks in Bangladesh. On the other hand 16.5% of them strongly agreed and 52.1% simply agreed in this regard.

To test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 4 : There is no significance difference among the

The $\chi 2$ value obtained using SPSS software is 31.358 at .002 level of significance and therefore the null hypothesis is rejected which means that there is significant differences among the opinion of the respondents regarding compliance of AAOIFI financial accounting standards by Islamic banks in Bangladesh. The reason may be of having no or poor idea regarding AAOIFI by the respondents other than bank executives.

k) Opinion of the Respondents regarding Adequacy of Disclosure by Islamic Banks

Decision makers always beg for information without which accurate decision making is almost impossible. Hence, companies should disclose adequate information in their reports so that the users can find all necessary information for making decision. The results of the responses regarding whether Islamic banks disclose adequate information in the annual reports or not are presented in the following table:

Table 12 : Showing opinion of the respondents regarding adequacy of disclosure by Islamic banks

Adequacy of Disclosure		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	1	0	2	0	0	3
	% within Res_Grop	5.3%	.0%	6.7%	.0%	.0%	2.5%
Agree	Count	7	15	18	15	18	73
	% within Res_Grop	36.8%	71.4%	60.0%	68.2%	62.1%	60.3%
Neutral	Count	6	5	7	5	9	32
	% within Res_Grop	31.6%	23.8%	23.3%	22.7%	31.0%	26.4%
Disagree	Count	5	1	3	2	2	13
	% within Res_Grop	26.3%	4.8%	10.0%	9.1%	6.9%	10.7%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 12 reveals that only 2.5% of the respondents strongly agreed and 60.3% simply agreed that the information disclosed in the annual reports of the Islamic banks are adequate but a significant number that is 26.4% of the opined neutral and 10.7% disagreed in this point. Therefore, it may infer from here that

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respondents expect more disclosure of information in the annual reports of Islamic banks.

To test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 5 : There is no significance difference among the opinions of the respondents regarding adequacy of disclosure by Islamic banks in Bangladesh.

The $\chi 2$ value obtained using SPSS software is 13.066 at .364 level of significance and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding adequacy of disclosure by Islamic banks in Bangladesh.

l) Opinion of the Respondents regarding Effectiveness of the Information of the Islamic Banks

The results of the opinion of the respondents regarding effectiveness of the information provided by Islamic banks in their annual reports are as presented below in Table 13:

Table 13 : Showing opinion of the respondents regarding effectiveness of the information of the Islamic banks

Effectiveness of Information		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	1	5	11	1	6	24
	% within Res_Grop	5.3%	23.8%	36.7%	4.5%	20.7%	19.8%
Agree	Count	14	12	16	12	14	68
	% within Res_Grop	73.7%	57.1%	53.3%	54.5%	48.3%	56.2%
Neutral	Count	2	3	1	7	7	20
	% within Res_Grop	10.5%	14.3%	3.3%	31.8%	24.1%	16.5%
Disagree	Count	2	1	2	2	2	9
	% within Res_Grop	10.5%	4.8%	6.7%	9.1%	6.9%	7.4%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

From the above Table, it can be observed that 24% of the respondents under study either neutral or disagreed regarding the effectiveness of the information provided by Islamic banks but 76% of them either strongly agreed or agreed that the information is effective in making decision.

In order to test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 6 : There is no significance difference among the opinions of the respondents regarding effectiveness of the information of Islamic banks.

Using SPSS software the obtained value of $\chi 2$ is 18.833 at .093 level of significance and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding the effectiveness of the information provided by Islamic banks in Bangladesh.

m) Opinion of the Respondents regarding Usefulness of the Information of the Islamic Banks

The results of the responses of the respondents regarding usefulness of the information provided by Islamic banks in their annual reports are as presented below in Table 14:

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Table 14 : Showing opinion of the respondents regarding usefulness of the information of the Islamic banks

Usefulness of the Information		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	3	4	11	2	4	24
	% within Res_Grop	15.8%	19.0%	36.7%	9.1%	13.8%	19.8%
Agree	Count	12	14	16	14	19	75
	% within Res_Grop	63.2%	66.7%	53.3%	63.6%	65.5%	62.0%
Neutral	Count	2	2	1	5	5	15
	% within Res_Grop	10.5%	9.5%	3.3%	22.7%	17.2%	12.4%
Disagree	Count	2	1	2	1	1	7
	% within Res_Grop	10.5%	4.8%	6.7%	4.5%	3.4%	5.8%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

From the above table, it is seen that 19.8% respondents strongly agreed and 62.0% merely agreed that the information of Islamic banks are useful in making decision but 12.4% responded neutral and 5.8% disagreed in this regard.

To test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 7 : There is no significance difference among the opinions of the respondents regarding usefulness of the information of Islamic banks.

Using SPSS software the obtained value of $\chi 2$ is 12.544 at .403 level of significance and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding the usefulness of the information provided by Islamic banks in Bangladesh.

n) Opinion of the Respondents regarding Understandability of the Information of the Islamic Banks

The results of the opinion of the respondents regarding understandability of the information provided by Islamic banks in their annual reports are stated in Table 15:

Table 15 : Showing opinion of the respondents regarding understandability of the information of the Islamic banks

Understandability of the Report		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	3	6	11	1	2	23
	% within Res_Grop	15.8%	28.6%	36.7%	4.5%	6.9%	19.0%
Agree	Count	12	10	16	10	19	67
	% within Res_Grop	63.2%	47.6%	53.3%	45.5%	65.5%	55.4%
Neutral	Count	3	4	2	8	6	23
	% within Res_Grop	15.8%	19.0%	6.7%	36.4%	20.7%	19.0%
Disagree	Count	1	1	1	3	2	8
	% within Res_Grop	5.3%	4.8%	3.3%	13.6%	6.9%	6.6%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 15 shows that 19.0% strongly agreed and 55.4% agreed that the information provided by Islamic banks in their annual reports is understandable. On the other hand, 19.0% responded neutrally and 6.6% of them disagreed in this point.

In order to test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 8 : There is no significance difference among the opinions of the respondents regarding understandability of the information of Islamic banks.

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We obtained value of $\chi 2$ is 20.414 at .060 level of significance using SPSS software and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding the understandability of the information provided by Islamic banks in Bangladesh.

o) Opinion of the Respondents regarding Relevancy of the Information of the Islamic Banks

The respondents were asked regarding relevancy of the information of the Islamic banks. The results of the responses of the respondents regarding relevancy of the information provided by Islamic banks in their annual reports are stated in Table 16:

Table 16 : Showing opinion of the respondents regarding relevancy of the information of the Islamic banks

Relevancy of Information		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	1	7	10	1	4	23
	% within Res_Grop	5.3%	33.3%	33.3%	4.5%	13.8%	19.0%
Agree	Count	14	8	18	14	19	73
	% within Res_Grop	73.7%	38.1%	60.0%	63.6%	65.5%	60.3%
Neutral	Count	4	5	2	6	5	22
	% within Res_Grop	21.1%	23.8%	6.7%	27.3%	17.2%	18.2%
Disagree	Count	0	1	0	1	1	3
	% within Res_Grop	.0%	4.8%	.0%	4.5%	3.4%	2.5%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

From the Table 16, we observe that 2.5% of the respondents disagreed and 18.2% responded neutrally in case of relevancy of the information of the Islamic banks in Bangladesh but 60.3% of them agreed and 19.0% strongly agreed in this case.

To test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 9 : There is no significance difference among the opinions of the respondents regarding relevancy of the information of Islamic banks.

We obtained value of $\chi 2$ is 18.481 at .102 level of significance using SPSS software and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding the relevancy of the information provided by Islamic banks.

p) Opinion of the Respondents regarding Predictive Value of the Information of the Islamic Banks

The results of the opinion of the respondents regarding predictive value of the information provided by Islamic banks in their annual reports are tabulated in Table 17:

Table 17 : Showing opinion of the respondents regarding predictive value of the information of the Islamic banks

Predictive Value		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	1	2	6	2	3	14
	% within Res_Grop	5.3%	9.5%	20.0%	9.1%	10.3%	11.6%
Agree	Count	7	13	19	6	15	60
	% within Res_Grop	36.8%	61.9%	63.3%	27.3%	51.7%	49.6%
Neutral	Count	9	5	2	10	9	35
	% within Res_Grop	47.4%	23.8%	6.7%	45.5%	31.0%	28.9%
Disagree	Count	2	1	3	4	2	12
	% within Res_Grop	10.5%	4.8%	10.0%	18.2%	6.9%	9.9%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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Table 17 shows that 11.6% of the respondents under study agreed strongly and 49.6% agreed that the information of the annual reports of the Islamic banks has predictive value. On the other hand, 28.9% of them opined neutral and 9.9% of them disagreed in this regard.

In order to test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 10 : There is no significance difference among the opinions of the respondents regarding predictive value of the information of Islamic banks.

We obtained value of $\chi 2$ is 19.408 at .079 level of significance using SPSS software and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding the predictive value of the information provided by Islamic banks in Bangladesh.

q) Opinion of the Respondents regarding Feedback Value of the Information of the Islamic Banks

The respondents were asked regarding feedback value of the information of the Islamic banks. The results of the responses of the respondents regarding feedback value of the information provided by Islamic banks in their annual reports are tabulated in Table 18:

Table 18 : Showing opinion of the respondents regarding feedback value of the information of the Islamic banks

Feedback Value		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	0	0	3	2	2	7
	% within Res_Grop	.0%	.0%	10.0%	9.1%	6.9%	5.8%
Agree	Count	9	14	21	9	16	69
	% within Res_Grop	47.4%	66.7%	70.0%	40.9%	55.2%	57.0%
Neutral	Count	7	5	6	9	9	36
	% within Res_Grop	36.8%	23.8%	20.0%	40.9%	31.0%	29.8%
Disagree	Count	3	2	0	2	2	9
	% within Res_Grop	15.8%	9.5%	.0%	9.1%	6.9%	7.4%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

From the above table, it can be observed that 7.4% of the respondents under study disagreed and 29.8% opined neutral position regarding feedback value of the information provided in annual reports of the Islamic banks but 5.8% of them strongly agreed and 57.0% merely agreed in this point.

In order to test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 11 : There is no significance difference among the opinions of the respondents regarding feedback value of the information of Islamic banks.

We obtained value of $\chi 2$ is 12.965 at .372 level of significance using SPSS software and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding the feedback value of the information provided by Islamic banks in Bangladesh.

r) Opinion of the Respondents regarding Timeliness of the Information of the Islamic Banks

The results of the opinion of the respondents regarding timeliness of the information provided by Islamic banks in their annual reports are presented in Table 19:

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Table 19 : Showing opinion of the respondents regarding timeliness of the information of Islamic banks

Timeliness of Information		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	4	11	17	4	9	45
	% within Res_Grop	21.1%	52.4%	56.7%	18.2%	31.0%	37.2%
Agree	Count	13	9	13	16	15	66
	% within Res_Grop	68.4%	42.9%	43.3%	72.7%	51.7%	54.5%
Neutral	Count	1	0	0	2	3	6
	% within Res_Grop	5.3%	.0%	.0%	9.1%	10.3%	5.0%
Disagree	Count	1	1	0	0	2	4
	% within Res_Grop	5.3%	4.8%	.0%	.0%	6.9%	3.3%
Total	Count	19	21	30	22	29	121

Table 19 reveals that 37.2% of the respondents strongly and 54.5% merely opined that Islamic banks provide information timely but only 8.3% of them either neutral or disagree in this case.

To test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 12 : There is no significance difference among the opinions of the respondents regarding timeliness of the information of Islamic banks.

Using SPSS software the obtained value of $\chi 2$ is 19.582 at .075 level of significance and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding timeliness of the information provided by Islamic banks.

s) Opinion of the Respondents regarding Reliability of the Information of the Islamic Banks

The respondents were asked regarding reliability of the information of the Islamic banks. The results of the responses of the respondents regarding reliability of the information provided by Islamic banks in their annual reports are tabulated in Table 20:

Table 20 : Showing opinion of the respondents regarding reliability of the information of the Islamic banks

Reliability of Information		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	3	7	16	4	5	35
	% within Res_Grop	15.8%	33.3%	53.3%	18.2%	17.2%	28.9%
Agree	Count	9	11	11	12	18	61
	% within Res_Grop	47.4%	52.4%	36.7%	54.5%	62.1%	50.4%
Neutral	Count	6	2	2	4	3	17
	% within Res_Grop	31.6%	9.5%	6.7%	18.2%	10.3%	14.0%
Disagree	Count	1	1	1	2	3	8
	% within Res_Grop	5.3%	4.8%	3.3%	9.1%	10.3%	6.6%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

From the above table, it can be observed that 20.6% of the respondents either neutral or disagreed in case of giving opinion regarding the reliability of the information provided by Islamic banks but 28.9% strongly agreed and 50.4% of them merely agreed in this point.

In order to test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 13 : There is no significance difference among the opinions of the respondents regarding reliability of the information of Islamic banks.

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Using SPSS software the obtained value of $\chi 2$ is 19.372 at .080 level of significance and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding reliability of the information provided by Islamic banks in Bangladesh.

t) Opinion of the Respondents regarding Verifiability of the Information of the Islamic Banks

The respondents were asked regarding the verifiability of the information provided by the Islamic banks. The results of the opinion of the respondents in this regard are presented in Table 21:

Table 21 : Showing opinion of the respondents regarding verifiability of the information of the Islamic banks

Verifiability of Information		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	1	4	11	1	5	22
	% within Res_Grop	5.3%	19.0%	36.7%	4.5%	17.2%	18.2%
Agree	Count	11	13	16	12	14	66
	% within Res_Grop	57.9%	61.9%	53.3%	54.5%	48.3%	54.5%
Neutral	Count	5	2	1	5	7	20
	% within Res_Grop	26.3%	9.5%	3.3%	22.7%	24.1%	16.5%
Disagree	Count	2	2	2	4	3	13
	% within Res_Grop	10.5%	9.5%	6.7%	18.2%	10.3%	10.7%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 21 shows that 18.2% of the respondents strongly agreed and 54.5% agreed that the information provided by Islamic banks in their annual reports is verifiable but 16.5% of them are neutral and 10.7% of them disagreed in this case.

To test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 14 : There is no significance difference among the opinions of the respondents regarding verifiability of the information of Islamic banks.

Using SPSS software the obtained value of $\chi 2$ is 18.163 at .111 level of significance and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding verifiability of the information provided by Islamic banks in Bangladesh.

u) Opinion of the Respondents regarding Faithfulness of the Information of the Islamic Banks

The respondents were asked regarding faithfulness of the information of the Islamic banks. The results of the responses of the respondents regarding faithfulness of the information provided by Islamic banks in their annual reports are tabulated in Table 22:

Table 22 : Showing opinion of the respondents regarding faithfulness of the information of the Islamic banks

Faithfulness of Information		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	2	7	13	3	5	30
	% within Res_Grop	10.5%	33.3%	43.3%	13.6%	17.2%	24.8%
Agree	Count	10	12	16	13	17	68
	% within Res_Grop	52.6%	57.1%	53.3%	59.1%	58.6%	56.2%
Neutral	Count	6	1	1	4	5	17
	% within Res_Grop	31.6%	4.8%	3.3%	18.2%	17.2%	14.0%
Disagree	Count	1	1	0	2	2	6
	% within Res_Grop	5.3%	4.8%	.0%	9.1%	6.9%	5.0%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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From the Table 22, it is seen that 24.8% of the respondents strongly agreed and 56.2% simply agreed that the information of Islamic banks is faithful. But 20% of the respondents opined either neutral or disagree in case of faithfulness of the information.

In order to test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 15 : There is no significance difference among the opinions of the respondents regarding faithfulness of the information of Islamic banks.

We obtained value of $\chi 2$ is 19.106 at .086 level of significance using SPSS software and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding the faithfulness of the information provided by Islamic banks in Bangladesh.

v) Opinion of the Respondents regarding Neutrality of the Information of the Islamic Banks

The results of the opinion of the respondents regarding neutrality of the information provided by Islamic banks in their annual reports are stated in Table 23:

Table 23 : Showing opinion of the respondents regarding neutrality of the information of the Islamic banks

Neutrality of Information		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	2	5	11	1	2	21
	% within Res_Grop	10.5%	23.8%	36.7%	4.5%	6.9%	17.4%
Agree	Count	10	8	15	12	17	62
	% within Res_Grop	52.6%	38.1%	50.0%	54.5%	58.6%	51.2%
Neutral	Count	5	7	2	6	7	27
	% within Res_Grop	26.3%	33.3%	6.7%	27.3%	24.1%	22.3%
Disagree	Count	2	1	2	3	3	11
	% within Res_Grop	10.5%	4.8%	6.7%	13.6%	10.3%	9.1%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 23 reveals that out of the respondents under study 17.4% strongly agreed and 51.2% merely agreed that the information of the Islamic banks is neutral but 22.3% of them opined neutral and 9.1% disagreed in this regard.

To test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 16 : There is no significance difference among the opinions of the respondents regarding neutrality of the information of Islamic banks.

We obtained value of $\chi 2$ is 18.525 at .101 level of significance using SPSS software and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding the neutrality of the information provided by Islamic banks.

w) Opinion of the Respondents regarding Comparability of the Information of the Islamic Banks

The respondents were asked regarding comparability of the information of the Islamic banks. The results of the responses of the respondents regarding comparability of the information provided by Islamic banks in their annual reports are tabulated in Table 24:

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Table 24 : Showing opinion of the respondents regarding comparability of the information of the Islamic banks

Comparability of Information		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	1	3	10	1	3	18
	% within Res_Grop	5.3%	14.3%	33.3%	4.5%	10.3%	14.9%
Agree	Count	15	13	16	13	19	76
	% within Res_Grop	78.9%	61.9%	53.3%	59.1%	65.5%	62.8%
Neutral	Count	2	4	3	8	7	24
	% within Res_Grop	10.5%	19.0%	10.0%	36.4%	24.1%	19.8%
Disagree	Count	1	1	1	0	0	3
	% within Res_Grop	5.3%	4.8%	3.3%	.0%	.0%	2.5%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

From the Table 24, it can be observed that 2.5% of the respondents thought negatively and 19.8% opined their neutral position regarding comparability of the information of the Islamic banks but 14.9% shows their strong positive position and 62.8% shows simple positive stance in this point.

In order to test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 17 : There is no significance difference among the opinions of the respondents regarding comparability of the information of Islamic banks.

Using SPSS software the obtained value of $\chi 2$ is 19.324 at .081 level of significance and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding comparability of the information provided by Islamic banks in Bangladesh.

x) Opinion of the Respondents regarding Consistency of the Information of the Islamic Banks

The results of the opinion of the respondents regarding consistency of the information provided by Islamic banks in their annual reports are presented in Table 25:

Table 25 : Showing opinion of the respondents regarding consistency of the information of the Islamic banks

Consistency of Information		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	1	5	9	1	3	19
	% within Res_Grop	5.3%	23.8%	30.0%	4.5%	10.3%	15.7%
Agree	Count	13	13	19	15	16	76
	% within Res_Grop	68.4%	61.9%	63.3%	68.2%	55.2%	62.8%
Neutral	Count	3	1	2	5	7	18
	% within Res_Grop	15.8%	4.8%	6.7%	22.7%	24.1%	14.9%
Disagree	Count	2	2	0	1	3	8
	% within Res_Grop	10.5%	9.5%	.0%	4.5%	10.3%	6.6%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

It can be observed from the Table 25 that 15.7% of the respondents strongly agreed and 62.8% of them merely agreed that Islamic banks provide consistence information in their annual reports but 6.6% of them disagreed and 14.9% opined neutral in this case.

In order to test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

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H_0 18 : There is no significance difference among the opinions of the respondents regarding consistency of the information of Islamic banks.

Using SPSS software the obtained value of $\chi 2$ is 17.691 at .125 level of significance and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding consistency of the information provided by Islamic banks.

y) Opinion of the Respondents regarding Effectiveness of Accounting Information Systems of the Islamic Banks

The respondents were asked regarding effectiveness of accounting information systems of the Islamic banks. The results of the responses of the respondents in this regard are presented in Table 26:

Table 26 : Showing opinion of the respondents regarding effectiveness of accounting information systems of the Islamic banks

Effectiveness of Accounting Information Systems		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	1	4	9	1	5	20
	% within Res_Grop	5.3%	19.0%	30.0%	4.5%	17.2%	16.5%
Agree	Count	11	11	14	15	13	64
	% within Res_Grop	57.9%	52.4%	46.7%	68.2%	44.8%	52.9%
Neutral	Count	6	4	7	5	11	33
	% within Res_Grop	31.6%	19.0%	23.3%	22.7%	37.9%	27.3%
Disagree	Count	1	2	0	1	0	4
	% within Res_Grop	5.3%	9.5%	.0%	4.5%	.0%	3.3%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 26 shows that 27.3% of the respondents surveyed opined neutral and 3.3% of them disagreed regarding the effectiveness of accounting information systems of the Islamic banks. On the other hand 52.9% of them simply and 16.5% strongly agreed in this regard.

To test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 19 : There is no significance difference among the opinions of the respondents regarding effectiveness of the accounting information systems of Islamic banks.

We obtained value of $\chi 2$ is 15.318 at .225 level of significance using SPSS software and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding the effectiveness of accounting information systems of the Islamic banks in Bangladesh.

z) Opinion of the Respondents regarding Compliance of Rules regarding Appointment of Auditors of the Islamic Banks

Quality of information also depends on the quality of audit firms and compliance of rules regarding their appointment. The respondents were asked regarding compliance of rules regarding appointment of auditors of the Islamic banks. The results of the responses of the respondents in this regard are tabulated in Table 27:

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Table 27 : Showing opinion of the respondents regarding appointment of auditors of the Islamic banks

Appointment of Auditors		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	3	9	13	8	4	37
	% within Res_Grop	15.8%	42.9%	43.3%	36.4%	13.8%	30.6%
Agree	Count	13	11	16	13	24	77
	% within Res_Grop	68.4%	52.4%	53.3%	59.1%	82.8%	63.6%
Neutral	Count	1	1	1	1	1	5
	% within Res_Grop	5.3%	4.8%	3.3%	4.5%	3.4%	4.1%
Disagree	Count	2	0	0	0	0	2
	% within Res_Grop	10.5%	.0%	.0%	.0%	.0%	1.7%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

On the basis of the Table 27, it can be said that 30.6% of the respondents strongly agreed and 63.6% of them merely agreed that regarding compliance of all rules and regulations of appointment of auditors by the Islamic banks. But 5.8% of them opined either neutral or disagree in this point.

In order to test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 20 : There is no significance difference among the opinions of the respondents regarding appointment of auditors of Islamic banks.

We obtained value of $\chi 2$ is 20.532 at .058 level of significance using SPSS software and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding compliance of all rules and regulations of appointment of auditors by the Islamic banks.

aa) Opinion of the Respondents regarding Quality of Audit of the Islamic Banks

Quality audit is expected to produce quality information. The respondents were asked regarding quality of audit of the Islamic banks. The results of the responses of the respondents in this regard are presented in Table 28:

Table 28 : Showing opinion of the respondents regarding quality of audit of the Islamic banks

Quality of Audit		Respondent Group					Total
		P. A.	A. P.	B. E.	S. B.	I. V.	
Strongly Agree	Count	2	10	9	2	3	26
	% within Res_Grop	10.5%	47.6%	30.0%	9.1%	10.3%	21.5%
Agree	Count	13	10	19	18	22	82
	% within Res_Grop	68.4%	47.6%	63.3%	81.8%	75.9%	67.8%
Neutral	Count	2	1	1	1	3	8
	% within Res_Grop	10.5%	4.8%	3.3%	4.5%	10.3%	6.6%
Disagree	Count	2	0	1	1	1	5
	% within Res_Grop	10.5%	.0%	3.3%	4.5%	3.4%	4.1%
Total	Count	19	21	30	22	29	121
	% within Res_Grop	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

From the Table 28, it can be observed that 21.5% of the respondents agreed strongly and 67.8% of them simply agreed regarding quality audit of the financial reports of the Islamic banks but 10.7% of them opined differently in this regard.

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To test whether there are significant differences among the opinion of the respondents, we conducted $\chi 2$ test using SPSS software. Accordingly we develop a null hypothesis as follows:

H_0 21: There is no significance difference among the opinions of the respondents regarding quality audit of the financial reports of Islamic banks.

We obtained value of $\chi 2$ is 18.890 at .091 level of significance using SPSS software and therefore the null hypothesis is accepted which means that there is no significant differences among the opinion of the respondents regarding quality audit of the financial reports of the Islamic banks in Bangladesh.

VII. Findings of the Study

On the basis of the analysis of the perceptions of the respondents, the findings of the study may be stated as below:

a) Most of the respondents think that there is no difference in comparative reliability of the information provided by Islamic banks and conventional banks but few professional accountants and stock brokers think that the information provided by conventional banks are more reliable than that of Islamic banks.

b) Maximum respondents thought that in maintaining quality of disclosure, Islamic banks in Bangladesh could maintain high quality in case of timeliness, faithfulness, usefulness, relevance and reliability of information.

c) In maintaining quality of disclosure, Islamic banks in Bangladesh could maintain moderate quality in case of consistency, comparability, effectiveness, understandability and verifiability of information.

d) Maximum respondents thought that Islamic banks in Bangladesh could not maintain high quality of information in case of predictive value, feedback value, adequacy, neutrality and effectiveness of accounting information system.

e) Islamic banks highly comply BAS, BFRS, Companies Act, banking Companies Act, SEC rules, etc. in preparing books of accounts and also comply rules of appointment of auditors and quality of audit in case of reporting of the information to its stakeholders. But the opinion of the respondents is not satisfactory and indifferent regarding complying AAOIFI financial accounting standards.

f) The highest number of the respondents uses Islamic banking reports to decide buying, holding or selling shares personally followed by making decisions on behalf of clients or employer and reading and academic interest. More specifically, maximum professional accountants use Islamic banking reports for making decisions on behalf of clients or employer; maximum accounting professors use for reading and academic interest; maximum stock brokers use for advising their clients and almost all investors use for making decision to decide buying, holding or selling shares personally.

g) Maximum of the respondents mostly read ratios and future projections part of Islamic banking reports followed by income statement and balance sheet for making decision. Specifically, maximum professional accountants emphasize on notes to the accounts and maximum accounting professors read balance sheet but maximum bank executives, stock brokers and investors emphasized on ratios and future projections.

VIII. Conclusion

Quality of disclosure is a must to make accurate decision by the users of the accounting information. As per the present study, the quality of Islamic banking disclosure process and accounting information may be said to be satisfactory. As the quality has no highest limit and as there are some lack of quality in few cases, Islamic banks should try to improve the quality in those areas.

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