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DEPARTMENT OF ACCOUNTANCY

FINANCIAL DISCLOSURE IN AN ELECTRONIC ACCOUNTING ENVIRONMENT: A CASE STUDY OF TOBACCO SALES LIMITED.

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DECLARATION

To my lovely mother, sister, younger brother, and my best friends, I will forever love you.

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ABSTRACT

Individuals and companies now have unprecedented access and sharing of financial data because of technological advancements. Transparency and sustainability, on the other hand, have remained a problem even in the current era of technology, even though firms may now disclose more information to stakeholders on a more frequent basis. This study studied the determinants that should be addressed in financial disclosures in an electronic accounting environment using a variety of theoretical views on corporate reporting and disclosure, including legitimacy, stakeholder, and signalling theories. A case of Tobacco Sales Limited (TSL). Employees of TSL Limited provided information, as well as information from the company's websites. The findings show that the size of the firm, liquidity, and wealth are important explanatory variables for the amount of electronic financial disclosure, and the researcher attempt to provide some recommendations to improve corporate disclosures, which have lately become a source of worry. According to the study, other factors like age and the amount of electronic financial disclosure showed no meaningful link. There are no previous studies on electronic financial disclosure in Zimbabwe's tobacco business that the researcher is aware of. Hence, this research provides to the scarce literature on electronic financial disclosure in Zimbabwe and the rest of Southern Africa, especially in the tobacco industry. This study's conclusions are likely to help a variety of stakeholders, including companies, legislators, and investors. Firms that participate in the research can compare their electronic financial disclosure and financial reporting processes and take steps to improve their visibility among investors. To make well-informed financial decisions, investors need information. The results of this study can help them figure out which company qualities are linked to more electronic financial disclosures, saving them time when evaluating investment possibilities.

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CHAPTER ONE

INTRODUCTION

1.1 Introduction

This chapter deals with the do openly and transparent background favourable of the study, as well as the problem statement, research questions, research objectives, and significance. It will also highlight the study's boundaries and constraints, as well as assumptions, terminology definitions, and the chapter's summary.

1.2 Background of the study

Accounting is described as the process of documenting, classifying, and summarizing information in a meaningful and monetary manner, as well as evaluating the outcomes of transactions and occurrences that are, at least in part, of a financial character. (American Institute of Certified Public Accountants 2019). Accounting is also known as an information system that measures, processes, and transmits a company's financial data. Accounting systems have improved dramatically as a result of technological advancements, and the country's economic life has altered dramatically (Ballada and Ballada, 2011). Computers and other digital technology have boosted workplace productivity by allowing for faster document sharing, research, and data collecting and analysis. The advancement in accounting technology allows the accounting systems to store, retrieve, transmit and manipulate data. All these technologies were done to ease the process of financial disclosure.

Accounting systems were created to aid management in their stewardship role, assist management daily operations of the organization, and generate basic financial reports and disclosures for informed decision-making. Accounting systems were established in the 1880s to aid in the accounting process. Accounting systems and practices have changed as technology has advanced, exposing traditional financial disclosures in peril. The Accounting Information System has undergone several improvements in order to meet the demands of accounting users. Accounting systems were also developed to help in the administration and control of operations related to the company's economic and financial elements. Technology advancement contributed to the creation of an electronic accounting environment, which is now extensively employed by many companies. As a result, an electronic accounting system may assist companies in improving their financial reporting and information disclosure, making it simpler to make educated decisions.

However, even beyond typical financial reporting, transparency and sustainability have remained a problem. Furthermore, accounting users have begun to recognize that the quality of manual financial reporting and disclosure no longer meets their information requirements for overall company performance. This has become more obvious, particularly as a result of some companies' loss of investors, which has jeopardized manual financial reporting and disclosure. This is because manual accounting information and disclosure do not provide the complete quality information that today's users expect. Furthermore, firms must expand their reporting to include information beyond traditional financial reporting and disclosures. As a result, financial disclosure is required in an electronic accounting system where financial data may be disseminated in large quantities and with high quality.

Electronic financial disclosure is a relatively new trend that allows a company to engage with its stakeholders openly and transparently. Transparency, according to Valletta (2005), is defined as releasing information that is critical in giving valuable information for informed decision-making. According to West-Jones (2007), financial information may help a company's reputation. Furthermore, according to Bollen (2004), financial transparency aids in the development of organizational stakeholders' confidence in related enterprises. Furthermore, by reacting to stakeholder interests, Moody-Struart, (2003) restores stakeholder faith in the markets, improves efficiency, serves as a management tool in dealing with threats and opportunities, and maintains the truth of financial reporting. Because information is such a strong tool, properly stated financial transparency may also provide a market competitive advantage.

Because it offers stakeholders favourable-quality information that manual financial disclosure does not, electronic financial disclosure is becoming increasingly common. Typically, companies pursue their financial reporting system to allow managers to assess the impact of their corporate strategy on the creation of wealth for their organizations, ensuring that their stakeholders are satisfied (World Commission on Business in Society 2005). How a company's worth is disclosed may have a significant impact on its value appreciation or depreciation. Magnan and Cormier (2006) Complete disclosure is critical for the optimal deployment of financial resources, as well as for directing money to credible long-term value-creating prospects. Electronic accounting is the ideal setting for achieving all of these benefits since accounting users can readily access corporate information, and there is a high level of transparency, which will increase stakeholder confidence. This will assist Tobacco Sales Limited and other companies in attracting both domestic and international consumers and investors, as well as lowering their information dissemination cost.

1.2 Statement of the problem

Due to technological advancement, companies must put greater emphasis on sustainability and transparency on their financial information which has become a concern recently. Due to a lack of relevant standards for the presentation of financial accounts, the style and substance of financial disclosures vary widely from one company to the next, even among similar companies. In an electronic accounting environment, failure to provide appropriate financial aspects of a corporation causes users to have difficulty making decisions. As a result, a firm's wealthy generation and the trust of its shareholders and stakeholders would be compromised. Companies must provide useful information to their stakeholders, such as the value of the portfolio, as well as other business activities that may have a significant impact on shareholder value in the short and long run, forward-looking info, shareholder and stakeholder accountability, and other useful decision-making information. As a result, in the computerized accounting system, this study investigates the aspect to consider in financial disclosures.

1.4 Research objectives

1.4.1 Broad objective

1. The major objective of this research is to determine the factors to be considered in financial disclosure in the electronic accounting environment.

1.4.2 Specific objective

2. To determine the link between financial disclosure and Tobacco Sales Limited's performance in an electronic environment.

3. To determine how financial disclosure in the electronic environment can improve the transparency of Tobacco Sales Limited.

4. To determine how financial disclosure in an electronic environment can reduce the cost of distribution of information.

5. To make recommendations about financial disclosure in the electronic accounting environment.

1.5 Research questions

1. What should be considered in financial disclosure in the electronic accounting environment?

2. What is the effect of financial disclosures on the performance of Tobacco Sales Limited in an electronic environment?

3. How financial disclosure in the electronic environment improves the transparency of Tobacco Sales Limited?

4. How can financial disclosure in an electronic environment reduce the cost of distribution of the information?

5. What recommendations can be drawn from electronic financial disclosures?

1.6 Research hypothesis

H_0: There's no relationship between the organizational performance and financial disclosure.

H_1: There is a link between organizational performance and financial disclosure.

1.7 Scope of the study

This study covered financial disclosure in the electronic accounting environment. The research is focused, and it is limited to Tobacco Sales Limited.

1.8 Justifications of the study

1.8.1 To the Business Community

Other companies may adopt the recommendations that the researcher may have made. If adopted, the advice will assist them to enhance their level of financial disclosure and moving with time.

1.8.2 To the Tobacco Sales Limited

This study will be of enormous significance especially to the management and staff of Tobacco Sales Limited as it will enlighten them on the diverse roles of electronic accounting in enhancing organizational performance.

1.8.3 To the Bindura University

This study will also serve as resource material for other scholars for further research in related areas. Students at Bindura University and other research will widen their scope from the information contained in this study.

1.8.4 To the students

The research will assist the student in learning important research procedures and will add to the student's research expertise and professional development.

1.9 Assumptions of the study

The following assumptions guided the research.

1. The majority of respondents will participate and answer questions posed to them.
2. There will be easy access to and from the research location.
3. The sample's results will be extrapolated to the overall population.
4. He will obtain secondary data pertinent to the research.

1.1.0 Limitations of the study

A vast number of limits were evident as the study progressed, including the notion that the timeframe provided for the study was judged insufficient for conducting a complete longitudinal study on financial transparency in an electronic accounting system. There were also difficulties with access to current and relevant literature, which was regarded as important to favourably employ current information, as well as the fact that many libraries were lacking in current resource material on electronic financial disclosure, which might have stymied the research study.

To address some of the issues stated above, a timeline for the research project was devised, and web search engines like Google Scholar and Encarta would be utilized to trawl the internet for relevant literature on electronic financial disclosures.

1.1.1 Definition of terms

1.1.1.1 Financial disclosure:

According to Segal (2020), "financial disclosure in the financial sector is the purposeful release of financial (and non-financial) information to the firm accounting function, whether numerical or qualitative, mandatory or voluntary, or via official or informal channels''.

1.1.1.2 Financial reporting:

"This is the process of creating statements that disclose the financial situation of the firm to management, investors, and the government".

1.1.1.3 Performance:

"The completion of a particular work (goal) as judged against current known accuracy (actual), completeness, cost, and speed criteria''.

1.1.1.4 Accounting Information System:

"Is a framework that a company uses to collect, store, manage, process, access, and report accounting transactions for accounting users such as accountants, consultants, business analysts, managers, chief financial officers, auditors, and regulatory and tax agencies".

1.1.2 Chapter summary

The first chapter examined the research background, research problem, research questions, and objectives, study justifications, assumptions, delimitation, and limits, and terminology definition. TSL Limited is the subject of research to see if financial disclosures have a favourable per-cent impact on the success of cigarette firms. The next chapter examines a survey of related literature in terms of the applicable theory and conceptual framework.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter deals with the definition and purposes of the literature review followed by the conceptual framework, measurement principles of financial information disclosure, and determinants of disclosure. It will further look at the theoretical framework of financial disclosure, electronic accounting environment, stages of development of financial disclosure in the electronic accounting environment, and the types of financial accounts to disclose.

2.2 Definition and purpose of literature review

Literature reviews are the act of reading, evaluating, reviewing, and summarizing academic information on a particular subject, (University of Southern California, 2016) in their book "Organizing your social sciences research paper: The literature review". A literature review, according to McCombes (2021), is a study of scholarly texts on a specific topic. It also gives you a quick recap of recent developments, supporting you in selecting appropriate notions, strategies, and gaps.

According to Birmingham City University (2011) in its article titled "How to Write a Literature Review," a literature review is vital since it reveals the key work put beneath a certain subject. A literature review is also a method of evaluating academic papers, books, and other unique sources that may be relevant to fields of study or theory and providing a narrative, synthesis, and critical evaluation of such works in carrying out this study under review. A literature review's objective is to provide an overview of the sources utilized when learning a certain discipline and to show users how the concepts fit into a larger area of study. According to the University of Southern California (2016) in its publication titled "Organizing your social sciences research paper: The literature review," and Bruce (1994) in his publication titled "Supervising literature reviews," the purpose of the literature review is to provide a legacy or the cornerstone of justification of the undertaken study.

2.3 Conceptual framework of disclosure

According to Hendrickson and Brenda (1992), disclosure is the sharing of data necessary for an entity's best functioning. The main purpose of disclosure is to offer information that is essential to meet the needs of a wide range of stakeholders. Companies are required to adhere to regulatory bodies' standards and ambitions, taking into consideration the volume of information supplied. As a result, Hendrickson and Brenda categorize disclosure into three types: appropriate disclosure, fair disclosure, and comprehensive disclosure. The basic minimum of information required by law to ensure that the financial statement does not deceive its consumers is referred to as adequate disclosure. Beyond the bare minimum of disclosure, there is fair disclosure, which is acceptable information based on ethical concerns to treat all financial statement customers fairly. That is, disclosures are released with the broad requirements of all data users in mind. Finally, complete disclosure is concerned with revealing all relevant facts. The principle of full disclosure requires a corporation to publish all relevant information for users of financial data to make educated judgments. To put it differently, the full disclosure principle requires businesses to provide in their financial statements relevant material that may impact users' interpretation and decision-making. However, the cost-benefit analysis of the financial information given restricts this technique.

Furthermore, depending on the classification method used, there are many forms of disclosure. Disclosure, according to Chan and Gary (2002), can be categorized by the type of transmission media used, such as hardcopy or electronic disclosure. The use of printouts to provide information about a corporation is known as hardcopy. Electronic disclosure refers to the posting of information on the internet or through a website, and it has typically been the most frequent manner of interacting with shareholders. We can have either obligatory or optional disclosure in terms of rules. The minimal information needed by the appropriate accounting standard is referred to as statutory disclosure, whereas voluntary disclosure refers to the information given by corporations in addition to mandated disclosure. Voluntary disclosure, which is frequently used in electronic reporting, is defined by the (FASB, 2001) as "any information presented that is not required by any standard." Voluntary disclosure, according to Meek, Roberts, and Gray (1995), is the disclosure that goes above and beyond the standard obligation.

Several nations throughout the world have revealed evidence of online financial reporting systems (Laswad, Fisher & Oyelere, 2005; and Oyelere, Laswad, & Fisher, 2003). The results indicated a rise in the usage of e-financial data disclosure. Financial disclosure can go beyond the manual model of printing the financial accounts, according to Wickramasinghe & Lichtenstein (2006) and gain altitude in its preparation by enhancing financial disclosures provided on the company website through multimedia that can aid understanding and conciseness of such information. Electronic disclosure, on the other hand, has disadvantages. The fundamental challenge of the electronic financial disclosure environment, according to Bawaneh (2014), is assuring the security and authenticity of information put on the internet.

2.4 Measurement principles that can be used in measuring financial information disclosed

According to the IASB (2008), financial information users such as investors, lenders, creditors, and other stakeholders value financial disclosure quality. This means that the information revealed in financial reports must be measured to be called high-quality information. As a result, this section of the literature study will look at the measurement concepts that may be utilized to assess the financial information presented.

2.4.1 The IFRS framework

The International Accounting Standards Board (IASB) has released an updated version of the conceptual framework (Conceptual Framework of Financial Reporting). Relevance, accurate depiction, cognitive capability, and comparison are some of the qualitative characteristics of the notion (Boritz and No, 2005). The framework's purpose is to provide useful data for successful decision-making, which means that the accounting reports must be of high quality for the data to be useful. When disclosure is done electronically rather than manually using hard copies, this paradigm is much easier to adopt.

2.4.2 Relevance

Salameh (2015) defines relevance as the capacity to create originality in financial statement users' decisions. Relevance is formed when the predictive and confirmatory values are combined. Prior study has tended to focus on profitability rather than financial reporting quality; nevertheless, the researcher will analyse the quality of accounting reports and transparency using a broader view of predictive value. When financial statement information suggests that the organization can generate future cash flows, the scenario is said to have predictive value. When information can be used to change or confirm previous or current expectations, it is said to have confirmatory value. However, after receiving feedback from stakeholders, future modifications can be done.

2.4.3 Faithful Presentation

According to the Canadian Performance Reporting Board (2008), one of the most essential fundamental qualitative criteria is a faithful representation. Financial disclosure information must faithfully represent what it purports to represent (i.e., a true and fair view), and it must be free of mistakes and fraud. The five aspects of fair presentation measurement, as defined by current literature, are neutrality, completeness, independence from material error, and verifiability. Financial reports may have flaws owing to estimates and other variables utilized in their creation, despite the proxy "free from bias" under honest representation, it is said. Other researchers, such as the IASB, (2008), agree that financial reports should be scrutinized before being disclosed since they may contain inaccuracies. However, complete removal of bias is not possible; the IASB recommends the creation of financial statements using acceptable estimations. Furthermore, in a computerized accounting system, it is very impossible to eradicate mistakes and fraud. The notion of neutrality focuses on the creation of financial reports, whether favourable or bad. The auditor's report is included in the faithful representation because it adds value to the revealed financial information by providing reasonable assurance, which strengthens the concept of faithful representation. Furthermore, the electronic accounting environment generates high-quality financial data, which improves the notion of faithful presentation and transparency.

2.4.4 Understandability

When all of the information in the financial accounts is presented clearly, the degree of understandability rises. When accounting users can grasp and value the data given, understandability is regarded, according to Chan and Wickramasinghe (2006). For understandability to be valued as a qualitative trait, it must emphasize the openness and clarity of the information presented in financial reports. This reflects the degree to which the material in the reports is arranged and presented. The frameworks in which comprehensive income statements are generated without disclosure via comments depict the principle of understandability. Furthermore, the usage of tables and graphs while revealing financial statistics will boost user comprehension. However, the manual system is prone to errors and fraud especially when it comes to the use of charts and graphs for disclosure. Thus, when electronic accounting comes into play to try and eliminate human error in disclosures. Yes, it is possible that all the financial reporting processes can be done electronically without the interference of hand copies, this will minimize, or even eliminate bias in the financial information disclosed.

2.4.5 Comparability

Another improving qualitative feature is comparability. Users of financial data can notice similarities and differences between two sets of economic occurrences based on the quality of information supplied. The capacity to compare financial reports of various firms in the same industry and the uniform implementation of accounting rules are both examples of comparability (IASB 2008). Furthermore, Salameh (2015) emphasizes the significance of taking into consideration the accounting procedures utilized as well as other events when comparing reports from various organizations.

2.4.6 Timeliness

The final heightening qualitative attribute is timeliness. Timelines may be defined as the availability of financial disclosure information to accounting information consumers before it loses value (Canadian Performance Reporting Board, 2008). According to the IASB (2008, it is critical for financial information consumers to have sufficient time to release financial data. As a result, timeliness considers the time it takes users to divulge information. The natural logarithm is used to calculate the degree of quality of reports, which includes the number of days each year and the final signature contained on the auditor's report. In an electronic accounting environment, rather than a manual system, financial reports may be made available to end-users on time.

2.5 Determinants of financial disclosure

Numerous studies on the amount of financial disclosure, in particular, have been conducted, and many individuals have attempted to explain various types of financial disclosure based on firm factors such as size, trading status, and industry type, among others (Uyar, 2012). Furthermore, alternative options for explaining disclosure, in general, have been presented. Among these theories are stakeholder theory and agency theory, to name a few. Since the initial research in 1999, the major variables examined have mostly focused on the size of the firm or the state of the company's trading operation. This is not to say that other elements, such as profitability, legal problems and competitiveness, scoring, environment, the liquidity of the ownership structure, leverage, international market trading, and regulation, were not considered by some studies. However, particularly when the study's background elements had an impact on the outcomes, their effect and frequency were not as essential as the company's size. According to the same theoretical framework, public organizations disclose more information than unlisted companies to reassure investors and, as a consequence, achieve better financing prospects at a lower cost of capital. The sector has an impact on financial disclosure decisions as well. Nonetheless, the sort of business may be financially hazardous, with corporations exposed to a variety of levies (Wickramasinghe, 2006).

According to Gandia (2008), the idea of political costs and the notion of signals from the industrial policy may change the firm's sensitivity. Companies in the same industry strive for the same level of transparency. Furthermore, if a corporation in a certain industry fails to comply with other disclosure responsibilities, this may be interpreted as a red flag signalling that the company is hiding undesirable news.

2.5.1 Industry type

Several prior research has found that this kind of industry influences the extent of financial disclosure. This is due to stakeholder expectations, public scrutiny, and several other accounting users. Many strategies had been employed in previous studies to capture industry influences on disclosure. Guthrie and Petty (2000), for example, divided their sample into six industrial clusters using the Australian Stock Exchange's two-digit firm category code. After comparing the clusters, they noticed that no single industry contributed more financial data than the others. Firer and Williams (2003) identified just a little industry effect when they evaluated disclosure in the banking, electrical, and information technology industries. Nonetheless, Oliveira, Rodrigues, and Craig (2006) revealed a statistically meaningful influence by splitting sectors into intangible intensive and intangible non-intensive businesses.

2.5.2 Wealth and electronic financial disclosure

According to Hargittai (1999), companies with a high-profit profit margin are more likely to be transparent about their business information, and enhancing organizational efficiency can be regarded as fundamental for the development of e-accounting and the introduction of cost voluntary disclosures. A positive association between wealth and the use of internet-based disclosures (Kim, 2007; Lasward et al., 2005). By considering wealth as a component in an organization's financial report online, Perez, Bolivar, and Hernandez (2008) determined that there is a favourable relationship between company financial information supplied on the internet and organizational success. In their study on the determinants of voluntary internet financial reporting, Laswad et al. (2005) found that business wealth had a positive relationship with voluntary online financial disclosure, with organization wealth being one of the causes. Yu (2010) also looked at the content accessibility of electronic financial information disclosure in China, finding that wealth is strongly linked to the level of electronic financial disclosures.

All of the evidence suggests the following: To begin with, monetary value is a significant predictor of electronic disclosure. Second, there is a positive association between wealth and electronic disclosure; so, the more money one has, the more online transparency one has. Finally, this is in line with the cost of political argument. Profitable or gigantic (in terms of size or money) companies, according to the idea, are more closely controlled than those that are not. As a consequence, they will always want to provide more information to validate their legitimacy and send signals to those who are monitoring them.

2.5.3 Size and electronic financial disclosure

Size has a considerable influence on electronic financial disclosure, according to Jimoh and Okoye (2016) & Laswad et al. (2005), and provides merits such as enormous economies of scale as well as cost savings for big companies, cheaper agency fees, and asymmetric information. Because large organizations are more likely to be scrutinized by the public than small businesses, the political cost theory can also explain why large corporations publish more information than small businesses. As a result, businesses want to disclose more. Huge companies are likely to be complicated, which needs more financial transparency. We also learn that the results of numerous probes have been positive (Cinca, Mar, & Pilar, 2008; Debreceny et al., 2002; & Yu, 2010). Laswad et al. (2005) looked at electronic financial disclosure utilizing size as one of their parameters and came up with a positive result.

Furthermore, large businesses can reduce the cost of distributing financial information via the internet as compared to smaller entities since they can engage qualified people to create and maintain the website. Big companies are also worried about political costs and will release more information to minimise public scrutiny of their activities.

Garcia and Garcia (2010) used two regression models to test the hypothesis concerning voluntary financial e-disclosure and numerous parameters, including size. There is a positive relationship between size and electronic financial information reporting and disclosure, according to the research. In the United States, Styles and Tennyson (2007) did a similar study with size as a variable, and the results were positive. Moreover, Xiao et al. (2004) discovered that the size of a company is positively and substantially associated with all financial disclosures made on the internet. In conclusion, previous research suggests that one of the most critical characteristics associated with electronic financial information disclosure is size.

2.5.4 Age and electronic financial disclosure

In this context, an entity's age is defined as its year of incorporation. The organization life cycle theory states that an entity grows through stages (from small to medium to big), each of which has an impact on its performance and operations (Daft, 2008). Similarly, each person passes through phases before becoming an adult, according to Levinson's theory, and each stage has its own set of responsibilities (Levinson, 1986). Putting this into practice, corporations owe transparency to their stakeholders, and as the entities grow (financially), casual empiricism causes us to believe that the company will become more responsible and avoid risky behaviour due to reputation risk.

As a result, while the entities do not die, we want them to become more accountable as they continue to exist, and because disclosure is their commitment to their stakeholders, the entities should divulge more based on their duration of existence. In similar research, Bank, Fisher, and Nelson (1997) discovered that existing universities had greater quality disclosure in the areas of service performance and financial performance than new colleges, indicating a positive relationship between age and disclosure.

2.5.5 Liquidity and electronic financial disclosure

It is thought that a company's liquidity status influences its financial disclosure procedures. According to Laswad et al. (2005), regulatory organizations, as well as investors and other stakeholders, are very worried about an entity's going-concern status. In light of this, companies that can satisfy their short-term financial commitments without resorting to asset liquidation may choose to disclose this in their yearly reports on their website. The acid test ratio is used to assess a company's liquidity condition since it is more limited measure of corporate liquidity. The acid test ratio is defined as the ratio of current assets to current liabilities less stock. Using the standard benchmark for the acid-test ratio of one, businesses in the same industry with at least one computed acid-test ratio are assigned a numeric value of one and zero otherwise.

2.6 Theoretical framework

Several theories have been proposed to explain online financial disclosure practices in the literature, including stakeholder, capital requirements, signalling, and legitimacy theory.

2.6.1 Stakeholder theory

Because a corporation exists to meet the desires of its stakeholders, a stakeholder is any person or body of people who may influence or be affected by it (Freeman, 1984). Managers of the company are responsible for carrying out their responsibilities to stakeholders such as host communities, workers, the general public, and suppliers, to mention a few. They should run the business in such a way that all of the company's stakeholders are happy. Furthermore, managers must act as representatives of the firm to ensure its survival and protect the long-term value of each shareholder (Moody-Stuart, 2003). Managers in the tobacco industry are expected to provid information to stakeholders based on the stakeholders' theory, emphasizing the importance of this theory in this research. This information might be made available on the internet as well.

2.6.2 Capital needs theory

The capital requirement hypothesis may also be applied to company disclosure procedures. Companies seek to raise money to increase their revenue, and the capital need hypothesis contends that openness may help them do so at a low cost (Choi, 1973). According to the FASB's Improved Business Reporting (IBR): Insights on Enhancing Disclosure, published in 2001 as part of their larger Business Reporting Research Project, the competition for capital results in increased financial disclosures. Aside from that, the related cost of capital is assumed to include a premium for investors' concerns about the availability and quality of the firm's information. As a result, when clients can analyse a company's development potential through transparency, the cost of borrowing is reduced (FASB, 2001). The link between disclosures and the cost of capital was assumed to be positive, with greater transparency resulting in a reduced cost of capital. However, as Botosan (2019) pointed out, another "stream of research demonstrates that some types of the disclosure can have the opposite influence".

2.6.3 Agency theory

Agency theory addresses the challenges that arise in enterprises as a result of the separation of owners (principals) and management (agents) (Jensen and Meckling, 1976). The circumstance results in an agency conflict between the principal and the agent due to knowledge asymmetry. Financial transparency is advantageous in terms of eliminating information asymmetry and protecting shareholder interests (Ghio and Verona, 2020). As a result, to estimate future economic position, cash flows, and profitability, the information in the financial statements must be accessible and representative (Elfeky, 2018). Furthermore, not all corporate information must be disclosed, but it must be adapted to the firm's policy and the needs of financial users (Ghio and Verona, 2020). The internet as a medium for financial disclosure is less expensive and faster than paper-based disclosure (Nurunnabi and Hossain, 2012).

Furthermore, agency conflict is a source of agency costs (Jensen and Meckling, 1976). Internal expenses incurred by the Agency are expenses incurred as a result of interest mismatches between the agent and the principal. The cost covers bonding charges in addition to paying for agent errors and ineptitude. Binding costs take into account the quality and amount of information, as well as the user's ability to access the information quickly and accurately. As a result, the agency fee will differ depending on a company's and corporate governance aspects such as size, debt, profitability, and listing age (Nurunnabi and Hossain, 2012). Greater and faster information disclosure is required to lower agency expenses, particularly through the use of the internet (Nurunnabi and Hossain, 2012).

2.6.4 Legitimacy theory

According to the legitimacy theory, an entity is legitimate if it meets the needs and views of the community in which it operates (Magness, 2006). Because the legitimacy theory is based on community perception and expectation, organizations seek to provide facts that will help them create a positive image in people's eyes. As a result, businesses share information about their financial operations with their stakeholders to maintain a positive image in the eyes of the public. Though the annual report has been regarded as an important source of legitimacy (Dyball, 1998; O'Donovan, 2002), transparency can also be used to achieve legitimacy.

2.6.5 Signalling theory

According to supporters of the signalling theory, information asymmetry should be reduced by issuing signals to interested parties. To defend its position, a company must give a signal to investors demonstrating that it is superior to other firms in the market. One method of signalling is through financial disclosure, in which an entity discloses more information than the law demands, Magness (2006). Entities are expected to reveal more financial information than is legally needed or expected to demonstrate to inform users that they are superior to rivals that do not disclose all of their information.

To summarize, all of these theories agree on the need for transparency in the computerized accounting context. It is feasible to reach several stakeholders at once in this setting while lowering the cost of information delivery, and it also fosters transparency. Most importantly, it gives theoretical literature for this topic.

2.7 Electronic accounting environment

According to Benbouali and Berberi (2018), the use of the internet in financial disclosure is a must for all stakeholders, regardless of whether they are members of the accounting society or not. Furthermore, it is required not only to gain efficiency in making informed decisions, rationalization, and access to the world's biggest base of investors as well as to preserve stability and crises in finance. To determine whether the organization uses technology, we must examine whether the following information is available on its website:

1) Annual financial reports in their entirety, including explanations, margins, and the auditor's report.

2) Links: instruments for connecting the data included in reports published on the organization's web to any other critical information, whether on the company's website or other public sites.

In comparison to conventional manual financial disclosure, technological charges have had a favourable influence on the development of financial disclosure practices by giving high-quality and accurate accounting data and information to financial report readers.

We may add that to the list of benefits given above. Ibraheem (2010, p06)

1) Unlike conventional disclosure, e-financial disclosure lowers distribution cost.

2) The e-financial disclosure is the model for the organizational development because its directed to an unlimited number of stakeholders and so may attract a large number of investors, both local and international.

3) Electronic accounting disclosure enhances traditional disclosure by increasing the volume and quality of data being processed, as well as contributing to the delivery of more meaningful financial information and the capacity to be updated frequently.

4) An electronic accounting environment may also increase user access to financial information by allowing them to obtain it more quickly and with less effort.

5) Because of the strong links between their financial reports, electronic accounting disclosure allows for the integration of yearly reports into various parts. However, under standard accounting disclosure, this was not feasible.

6) Because we may supply information particularly geared to satisfy the special demands of the users, electronic financial disclosure provides for continual and ongoing interaction between the firm and financial information users.

2.8 Disclosure from the investor's perspective

According to the CFA Institute (2013), norm setters and legislators must explore financial reporting and disclosure changes in light of recent investor experiences. Furthermore, they must analyse other elements that investors believe are influencing the present financial reporting environment (manual accounting environment). Thus, the CFA Institute (2013) analyses the following issues in its report titled "Financial Reporting Disclosures: Investor Perspectives on Transparency, Trust, and Volume".

1. The emerging trend in technology and connectivity in the accounting environment.

2. The inability of the existing accounting model (manual systems) to provide investors with sufficient information in a new economy for decision-making purposes.

3. The lack of a measurement framework that can inform the disclosures necessary to make such measurements meaningful.

2.9 Stages of developing the financial disclosure in an electronic accounting environment

According to Benbouali and Berberi (2018), financial disclosure in the electronic environment has gone through many stages, each of which tries to offer a new mechanism to fulfil the changing expectations of accounting information consumers and other stakeholders.

The initial stage of electronic financial disclosure was distinguished by the use of the Internet to disseminate financial reports, referred to as e-paper (PDF). This type served as a substitute to hardcopy papers. Nevertheless, this approach is flawed since it lacks a feature that allows for seamless navigation between sections of financial reports. Furthermore, customers found it difficult to analyse the financial statements because this file does not enable copying or reloading the PDF to make it simpler to work with. As a result, re-entering the data is required, which is time-consuming (Ibrahim, 2010 p05).

The second stage of electronic financial disclosure saw the advent of programming languages, and the Hypertext Mark-up Language (HML) was utilized to reveal information on the businesses' financial reports. This allows for the usage of interactive links, which were not available in the PDF version, as well as the ability to index the information inside the financial report. Its duty, on the other hand, was limited to delivering instructions on how to display the page without providing any more information on the data's content or preparation. Furthermore, it fails to solve the problem of information analysis that many customers face. Furthermore, like with the PDF File in the first phase, it needs re-entry of information (Benbouali and Berberi, 2018).

The final step of electronic financial disclosure has seen amazing technological progress. Financial report users might analyse the data without having to re-enter it. This was previously impossible. With the advent of Extensible Mark-up Language, this stage began.

This was demonstrated by an American accountant (Charles) who was supported and funded by the American Institute of Certified Public Accountants to investigate the possibility of using Extensible Mark-up Language to exchange data online and design a program capable of producing digital financial reports. They established the XBRL, which is a common template that allows firms to report financial and non-financial information in an electronic accounting environment, allowing for easier comparison of diverse entities in the same business line (Ibrahim, 2010 p05).

In the computerized accounting environment, expanded business report language has contributed to the efficacy of financial disclosure in the following ways: (Hamid, 2015, p51):

1. Giving financial statements that integrate the form of disclosure in reports, trying to make them more standardized, uniform, and understandable, and so increasing their value to accounting users.

2. Expanded business report language might read computer signs and apply financial information to business reports by turning reports into blocks of information that can be evaluated and processed by a computer plug-in (Al-Buji, 2015, p27).

3. Reduce the costs associated with companies acquiring and evaluating data, as well as eliminating the issue of anomalies and discrepancies in financial report forms. It also aids non-professional financial report consumers in acquiring financial statement information and integrating it with extra disclosures when making decisions.

4. Allow for the automated interchange and trustworthy summation of financial information to provide technical independence.

5. Allows users to reliably and efficiently translate components of financial reports into a variety of languages, thereby increasing the value of electronic lists available on corporate websites.

6. Allow the currency of the extended business report language to be altered in the user's preferred adaptation style and to the appropriate currency, providing

financial reports designated in more than one currency to assist users in making choices as rapidly as feasible.

7. Expanded business report language enables the examination of numerous competing enterprises, making financial analysis more efficient.

Thus, based on the stages of development of electronic financial disclosure, we can conclude that the expanded business report language as a way of improving the groundwork of transparent and objective e-financial disclosure by making financial information reachable to accounting users, clearly and justifiably that can be analysed by financial analysts and compatible among the various stakeholders. Furthermore, the speed and effectiveness with which financial data is provided and electronic financial disclosure in extended business report language increase investor trust, as well as the industry's revival and sustainability. Moreover, XBRX improves the distinctive components of financial data and upholds its basic tenets, serving all relevant parties, including analysts, auditors, and institutions, to name a few, by enhancing the quality of the financial and, as a consequence, the quality of decision-making.

2.1.1 What kind of financial information should be disclosed?

2.1.1.1 IAS1 Presentation of Financial Statements

IAS 1 establishes the foundation for the preparation and presentation of general financial statements to ensure company comparability across time, detect trends in various firms, and evaluate relative financial status. A comprehensive set of financial disclosure, according to IAS 1, contains the following components: Statement of financial status; Income Statement; Statement of Stockholders' Equity; Cash Flow Statement; Accounting Policies and Explanatory Notes. Furthermore, IFRS is not dissimilar to IAS criteria (Unnamed Author, 2019). However, the scope of this research was limited to three of these financial statements: the Statement of Financial Position, the Income Statement, and the Cash Flow Statement.

2.1.1.2 The Income Statement

IAS 1 requires businesses to classify expenses in the Income Statement based on their structure or financial concepts, and it suggests that the categorization used in the Income Statement be evaluated. It is crucial to note that IAS 1 does not demand one classification over another; nevertheless, if the firm chooses the function form, it must include additional information in the form of Notes detailing the nature of the operating costs (Lungu, 2005). Other standards (IFRS and GAAP) require the Income Statement to be presented in one of two ways, according to Ristea, Olimid, and Calu (2006):

1. In a nutshell, the elements are divided into two categories: income and costs. To create the profit before tax, all costs are categorized according to their purpose and deducted from the total income. The detailed information is presented as a Note.

2. In a lengthier form, intermediary groups and subtotals display the elements from the usual activity and the other things individually. After deducting the cost of sales from the sales, the gross profit is calculated. Following this indication, various revenues and costs are given before arriving at the Profit before tax.

2.1.1.3 Statement of financial position

In the final variation, IAS 1 abandons the non and current model for the financial format of disclosure and instead employs the list format, which computes Net Assets. This indication occurs in the financial statement between long-term obligations and stockholders' equity. People involved in financial reporting have concluded that the account structure is not beneficial for readers of financial information, thus the emphasis has shifted to elements such as ownership and equity. The obligations are categorized as long-term and short-term in this format, and the net assets are determined (Lungu, 2005). As a result, IAS 1 made a lot of recommendations on the list form. Furthermore, other standards, such as IFRS and GAAP, offer the statement of financial status by beginning with the equation Total Assets (which reveal the structure of the entity's resources) equals Liabilities + Owners' Equity (which present the financing sources of the entity). The items required in the Balance Sheet are not dissimilar to those required by IAS 1. As a result, the format employed by firms that adhere to these criteria is the account type.

2.1.1.4 The Cash Flow Statement

International accounting rules, according to Kwok (2002), require the publication of a cash flow statement. A cash flow statement provides a thorough breakdown of cash inflows and expenditures for each sort of operation, such as operating, financing, and investing. The guidelines advise businesses to utilize either direct or indirect approaches. The information for each sort of cash input or outflow, normally collected from accounting entries, is given instantly. The rulers advise utilizing the direct method since it complies with intending to create this declaration, which is to report money inflows and outflows in sync. In both standards, the same requests are made. The indirect technique produces the same number of cash flows as the direct method, but it does it in a different way: it starts with the result and adjusts it for changes in assets and liabilities, as well as non-monetary factors (Klammer and Reed, 1990). Market participants favour the direct technique because it allows them to anticipate cash flows and evaluate the company's worth, but accountants and management prefer the indirect method since it is easier to compute. After all, it hides from external consumers the genuine picture of the firm's liquidity management (Tarca, 2002).

In the electronic accounting environment, all sorts of reporting and disclosures can be done electronically. This is unlike the traditional systems where all forms of reporting and disclosure were done manually. The technology advancement has made financial reporting and disclosure easier since the reports can now be generated with just a push on the baton.

2.1.2 Chapter summary

The second chapter of the research report considered theoretical, and conceptual studies on the financial disclosures and the impact which electronic-based accounting systems have had on the efficient and effective operations of accounting professionals. The available models appear not to consider the educational backgrounds of the accounting staff as well as the costs to be incurred in securing and developing the electronic accounting system.

The critical fact, however, is that we live in an electronic era in which technology has proven to be an important and unavoidable factor influencing accounting systems and overall organizational performance. It has been observed that such electronic-based accounting has increased the speed with which financial reports are prepared and disclosed, as well as the reliability and accuracy of such reports, resulting in the organization's transparent and honest dealings with customers, partners, and outsiders, and thus boosting the organization's overall success.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The study approach includes describing, explaining, and anticipating events in addition to the study objective. The University of Southern California (2016) defines methodology as "a description of the foundation for the presentation of specific procedures or methods used to recognize, select, and analyse evidence applied to accepting the research problem, allowing the student to judge a study's overall validity and reliability."

As a result, this chapter discusses the research approach used in the examination of financial transparency in an electronic accounting context. The chapter concentrated on identifying the approach to be utilized in the data gathering stages of the study. The tools for data collection, validation, analysis, and presentation are also discussed in this chapter. The implementation of the research idea, targeted population, samples, and sampling procedures are explained in this section of the research study.

3.2 Research design

The current research used a case study research design, with financial transparency components chosen for the investigation. As it comprised "Financial disclosures in an electronic accounting system," the design is appropriate for answering the study questions. A research design is a deliberate and logical plan developed to conduct a research study (Kumar, 2008). It expresses the researcher's overall purpose or the reason for doing the study. The research subject is defined, the study hypothesis is articulated, the reliant on and self-determining variables are determined, the instruments used are developed, and the study design also includes a clear path for data analysis. In conclusion, everything about the research should be mentioned; the researcher used a descriptive and analytical research strategy in this study. According to Mugenda (2003), “the descriptive research design is a scientific approach for acquiring information without causing harm to the environment”.

The study was carried out as a case study, which allowed the researcher to perform a thorough examination of financial statements. To conduct the study on financial transparency in an electronic accounting system, the researcher focused his attention on

Tobacco Salas Limited in Harare. The goal of case study research was to get a complete understanding of a specific or limited number of incidents. Ami and Jesper, (2008), case study research aims to gain a comprehensive understanding of observed values and their implications. The researcher was able to obtain primary data and determine what was going on the ground thanks to using questionnaires. The scholar was able to handle the responders to gather accurate and reliable data. The case study gives the researcher greater details about the variables and events that are being investigated. The in-depth knowledge complements the current truthful and factual facts on the matter under investigation. However, other scholars say that the case study research approach contributes just a little to the current literature because the outcomes gained are small and sometimes varied. Finally, the researcher employed content analysis. TSL's annual reports were subjected to content examination.

3.3 Descriptive study design

The researcher used a descriptive research approach to conduct the investigation. The measurement of a variable or a combination of variables that are as constant as possible is part of a descriptive research strategy (Gravvetor and Forzano, 2016). Descriptive research, in contrast to many other research approaches, concentrates on a single description of variables instead of their linkages. The primary goal of a descriptive study to learn about the existing situation (Kothari, 2003). More questions on what they believe, feel, and do are asked in descriptive research.

The descriptive research design was considered as a researching strategy for obtaining quantitative data from persons through the question-and-answer procedure since the researcher obtained data using questionnaires. This strategy enables the researcher to obtain a bigger amount for a little cost, as well as to supplement numbers and statistics with words. It also enables for the collection of data about the participant's attitude, ideas, expectations, and goals, which is critical for the study. A descriptive survey enables the gathering of both qualitative and quantitative data, as well as statistical analysis of the findings.

3.4 Advantages of descriptive study design

1. The goal of the descriptive study was to provide an exact portrait of the organization, events, or situations.

2. The subjects were interrogated in a natural and unaltered setting.

3. The data acquired enabled the researcher to collect data in-depth, allowing for a multidimensional method to data collecting and investigation.

4. The scholar employed the questionnaire approach, which resulted in a great amount of valuable data being obtained.

3.5 Limitations of descriptive study design

1. The scholar was unable to discern cause and effect or link factors.

2. Because the researcher was unable to change variables, statistical analysis was not possible.

3. Due to confidentiality concerns, the researcher was unable to get all of the material.

4. Some participants were dishonest, and they did not act normally since they were aware that they were being questioned about corporate information.

The researcher used a descriptive study approach, which allows the study to be conducted in the participants' natural ground, ensuring high-quality and honest data collection.

3.6 Population

The population refers to the sum of participants to whom the scholar asks questions via questionnaires as part of the research study due to their relevance. It had a staff of 15 people. The population is the aggregate of all samples of a population parameter that is being examined and which the scholar is aiming to draw practical conclusions from. To include those sample units with relevant features to the problem, a population must be specified in particular words (Wegner, 2016). The researcher's population consisted of staff members from TSL Limited's accounting and finance department, and because the population was vast, the researcher employed random sampling.

DESCRIPTION	NUMBER OF RESPONDENTS
Accounts Clerks	8
Assistant Accountants	3
Accountants	3
Finance Manager	1
Total Sample	**15**

Table 3.1: Primary data

3.6.1 Sampling

The goal of sampling is to allow us to conclude a population after reviewing only a subset (a sample) of that population (Shayib, 2013). Because the researcher was unable to access all parts of the targeted population, thus a sample was taken from each group of the targeted population. As a result, a sampling methodology is a process for selecting a sample. Simple random sampling was utilized by the researcher.

3.6.2 Simple random sampling

According to Castill (2009), simple random sampling is “a subset of persons chosen at random from a bigger collection, and in this context, the researcher chose everyone at random and completely by chance, such that everyone had the same likelihood of being chosen at any moment throughout the sampling procedure”. The researcher guarantees that any employee that is chosen is not returned to the population using simple random sampling. The researcher determines the (n) number of employees in the population. The researcher began reading numbers after selecting a random number from the random number database. The researcher approved all of the random numbers.

3.6.3 Justification of the simple random sampling

Aside from the frame, simple random sampling was unrestricted of categorization errors and required only a rudimentary grasp of the population. Because of its simplicity, data acquired through this approach is very easy to grasp, and because there was little information about the population available, simple random sampling is the best fit for the scenario. Table 3.1 displays the sample that was picked at random.

3.6.4 Research instruments

The study used internal and external sources to get information. These two techniques are complementary. Primary sources were widely employed by the researcher since they bring new ideas and the most up-to-date data. Questionnaires were used as the primary data gathering tool.

3.7 Source of data

3.7.1 Primary data

Primary data is information gathered with the intent of serving a certain impending objective (Kotler and Keller, 2009). Data was collected using an appropriate study instrument (s). The important element to remember is the material gathered from internal sources was unique to the scholar and his investigation. The scholar selected internal sources due to the data acquired is recent and provides the researcher with a genuine perspective of the issue under investigation. The exact and needed information was collected via primary data. The researcher employed questionnaires to collect primary data.

3.7.2 Advantages of primary data

1. Because the researcher was gathering information for a specified objective understudy, the researcher was able to focus on the main objective of the investigation, allowing him to obtain the needed information.
2. The scholar had greater control over how the information was gathered.

3.7.3 Disadvantage of primary data

1. Due to certain participants' lack of honesty during data collection, thus, the data accuracy was not verified.
2. The acquired data needed to be analysed further or it would be worthless.
3. The acquisition of original data was expensive.

Solution

1. To prevent further costs, the researcher scheduled appointments.
2. Close-ended questions were employed in the surveys to reduce dishonesty by limiting respondents to reply only to what was required for the study.

3.8 Questionnaires

A questionnaire, according to Oppenheim (2013), is an instrument for collecting and documenting information to answer questions. The questionnaires were distributed to TSL Limited workers as part of the research. According to Babbie (2013) ‘Questionnaire is a set of questions intended to evoke specific data and insights about a certain subject”. Questionnaires were used as data collecting tools because they were extremely adjustable, and they were used carefully to fit the study project's goals. One of the most significant features of the questionnaire is its abstract, which implies that queries do not change to match the way responses are created. Instead, each participant was asked identical questions. The questionnaire was created using a shuttered technique, in which participants choose one of many options as a response to a question. The researcher utilized a rating scale (Five Likert Scale), and such inquiries let the scholar figure out what respondent’s think is crucial in making vital business decisions.

3.8.1 Advantages of using questionnaires

1. The fundamental benefit of questionnaires was that a large number of individuals could be contacted quickly and cheaply.
2. A typical questionnaire gave measurable responses to a study subject, and these responses were very simple to analyse.
3. Because the surveys were provided by the researcher, the researcher was able to contact the respondents simply and effectively.
4. The responders required less time to finish the questionnaire, thus the feedback was likewise swift.
5. Because there were no verbal or visual cues to affect the participants, the bias in questionnaires reduced.

3.8.2 Disadvantages of using questionnaires

1. Because some questionnaires were not completed on time, the scholar set a timeline to remedy the issue.

3.8.3 Questionnaire administration

The power to contact participants to acquire vital data for the study is known as the administration of questionnaires (Neelankavil, 2007). The researchers provided the questions in print and administered the questionnaires using the paper-pencil method of questionnaire delivery.

3.9 Secondary data

According to Wagner (2007), secondary data is "information gathered and processed for reasons unrelated to the topic at hand. Secondary data is information that already exists and may be used if necessary''. The data is also based on evidence acquired earlier by other experts. As a result, secondary data is defined as the information received from sources other than the main ones. Secondary data were acquired from the company's website for this study. In examining the financial transparency issues, the researcher mostly relied on secondary data. Because the information was readily available and the resources didn't engage with the original study primary sources, it was convenient for the scholar. However, the researcher relied more on original data acquired by the researcher to conduct the research.

3.9.1 Advantages of secondary data

2. The data obtained was simple to get and affordable.

3. Because the acquired material has previously been analysed, the researcher found it simple to extract knowledge for relevance.

4. The researcher was able to obtain data in a short period.

3.9.2 Disadvantages of secondary data

1. Most of the hypotheses developed may have been evaluated and may have changed over time.

Solution

The study used several of the most recent sources, and for those who are no longer current, the study will employ the principle instead of the thought due to obsolete.

3.1.1 Data collection procedures

The scholar designed questionnaires, and send them to the participants. A few questions were sent by hand, while others were sent through email, allowing respondents to have enough time to respond before collecting the them. Follow-ups were then used to motivate the participants, and the whole population replied thereon. The study was able to complete all of the questionnaires on time and put the data to good use. Instrument retrieval, according to Saunders (2009), must be a well-planned strategy to optimize the timely collecting of complete data. The scholar tries to convince and follows up with participants to gather data.

3.1.2 Opinion analysis (Likert scales)

The scholar explores the participants' perspectives to achieve the following goals:

1. To determine the variables to be considered in tobacco companies' financial disclosure in Zimbabwe.

2. To identify methods that can be utilized to improve tobacco companies' transparency in Zimbabwe.

3.1.3 Reliability and validity

Reliability and validity are factors used to analyse the applicability of any study instrument, according to Fraenkel and Wallen (2010). Because of responses from respondents who have extreme tastes or maintain a core propensity as a consequence of their personality, there is a risk of mistakes in the research. Because responses can be affected by individual characteristics like mood or external conditions like job pressure, errors can occur; therefore, it is critical for the research study to measure aptly what is intended to be investigated.

As a result, the researcher posed questions that he believed would yield the most useful data for the study. The words and phrases chosen were carefully chosen to ensure that the primary audience could understand them. Although some participants were not able to or unwilling to respond to the questions posed to them, the scholar made sure that the content of the study was conveyed to them via the introductory letter.

By using basic English, the study avoided using technical jargon. By employing good question design and avoiding asking ambiguous questions, reliability was achieved. The study used anonymity to ensure willingness and ability to answer questions honestly. In this study, 13 questionnaires were answered out of 15, resulting in an 86.67 % response rate. As a result, the questionnaire response was relied on for this study because the response rate was higher than the required minimum.

"Validity is the extent to which research findings may be extended or if the theorized cause creates the supplied effect in a study," Finn, Elliott-White, and Walton (2000). The validity of an item refers to how well it measures what it was supposed to measure. The validity of an instrument is partly impacted by how the questions are phrased. Simple factual inquiries are frequently answered more honestly, and the veracity of facts may be presumed. Because a statement or term may mean different things to different people, the researcher selected terms and phrases that the target audience could understand. The scholar asked basic questions to collect the correct data.

3.1.4 Data presentation and analysis

The information/data gained from the quantitative approaches received via surveys during the study process were analysed using the Microsoft Excel software, which allowed the findings to be presented in tabular and graphical forms. The researcher employed facts and figs that were putt together to show, analyse, and evaluate the data. Thus, Best (2012) claims that data analysis and presentation can assist a researcher in proving a thesis. The tables helped the researcher conclude. This benefited the researcher in forming opinions on the topic at hand. The researcher used per-centages to ensure that the info was succinct and easily comprehend and commented. Another benefit of utilizing tabular forms and figs, such as line and bar graphs, was the patterns that were easier to understand. The info was presented as per logical themes using Microsoft Excel to construct graphs because of its rapid availability, versatility, and simplicity in calculations and producing graphical presentations.

3.1.5 Chapter summary

This chapter explains the research methodologies used by the researcher to conduct the inquiry. In the study design, targeted study population, and sampling methodology, primary and secondary data, data collection methods, and equipment were used. Each strategy's advantages were explored. The next chapter examines a careful examination of source data and presents thorough research results.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.0 Introduction

This chapter dealt with the data presentations and analysis inferred from the results of the study. Questionnaires were used to collect data, and the study results are illustrated and analysed with references from other theories established by the researcher and used in the research. Data analysis uses both quantitative and qualitative information, and presentation is done in the form of simple tables, graphs, and charts, with comments and interpretation to help people understand the information.

4.1 Response rate

The researcher collected 13 duly filled questionnaires from the respondents. This was an 86.67% return rate, hence acceptable and good for generalizations. Kothari (2009) contends that a response rate of 50% and above is representative enough for research.

DESCRIPTION	SUCESSFUL	UNSUCCESSFUL
Questionnaires	13	2

Table 4.1: Response rate

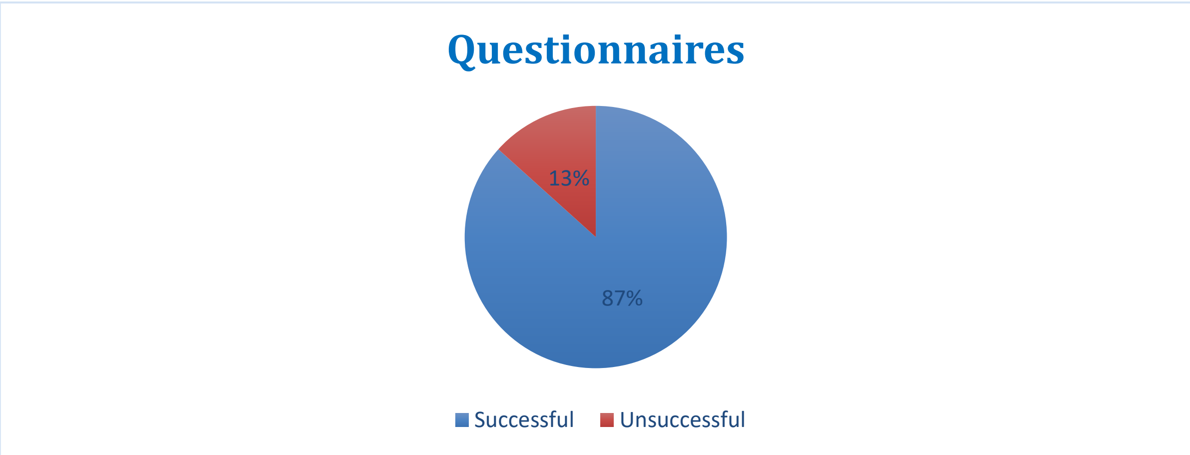

Fig 4.1: Response rate

When questioned why they were unable to complete the questionnaire, the contacted respondents cited a lack of time as a result of their extremely hectic schedules at work and home.

4.2 Sector of the Industry

This question was also posed to determine if the participants were paying attention to the questions that were being asked.

SECTOR	FREQUENCY	PERCENTAGE
Agriculture	13	100%
Logistics	0	0%
Mining	0	0%
Retailing	0	0%
Manufacturing	0	0%
Total	**13**	**100%**

Table 4.2: Sector of the industry

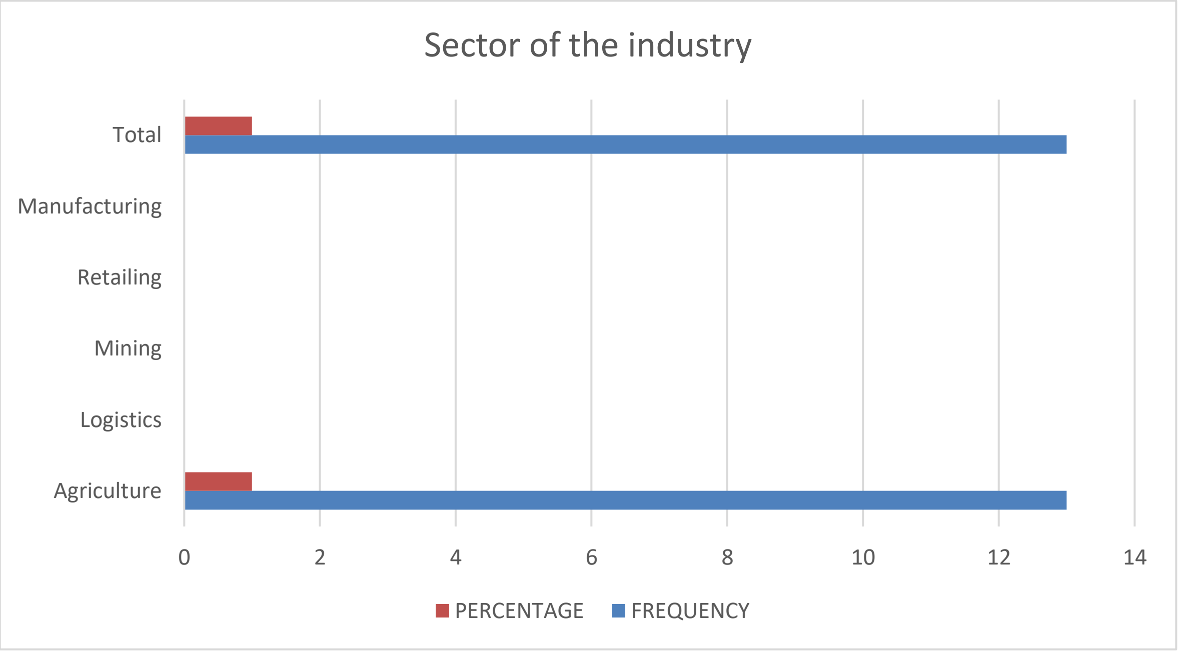

Fig: 4.2 Sector of the industry

All the respondents were aware of the sector of the industry TSL Ltd operates; thus a 100% response rate was obtained on a single answer. The results from this question show how respondents were paying attention to the questions presented to them.

Also, based on the data presented above, it appears that the industrial sector is a primary factor of internet financial disclosure. Companies in the same industry tend to follow one another (Unknown author, 2017). Companies in Zimbabwe's tobacco business, in particular, use the internet for financial reporting and disclosure.

4.3 Working experience

The purpose of the study was to look at the participants' job experience in terms of years in the industry. Figure 4.3 shows the respondents' years spent at the company, which are divided into three categories: fewer than 5 years, 5 to 10 years, and more than 10 years.

YEARS OF EXPERIENCE	FREQUENCY	PERCENTAGES
Less than 5 years	8	62%
5 to 10 years	3	23%
More than 10 years	2	15%
Total	**13**	**100%**

Table: 4.3: Working experience

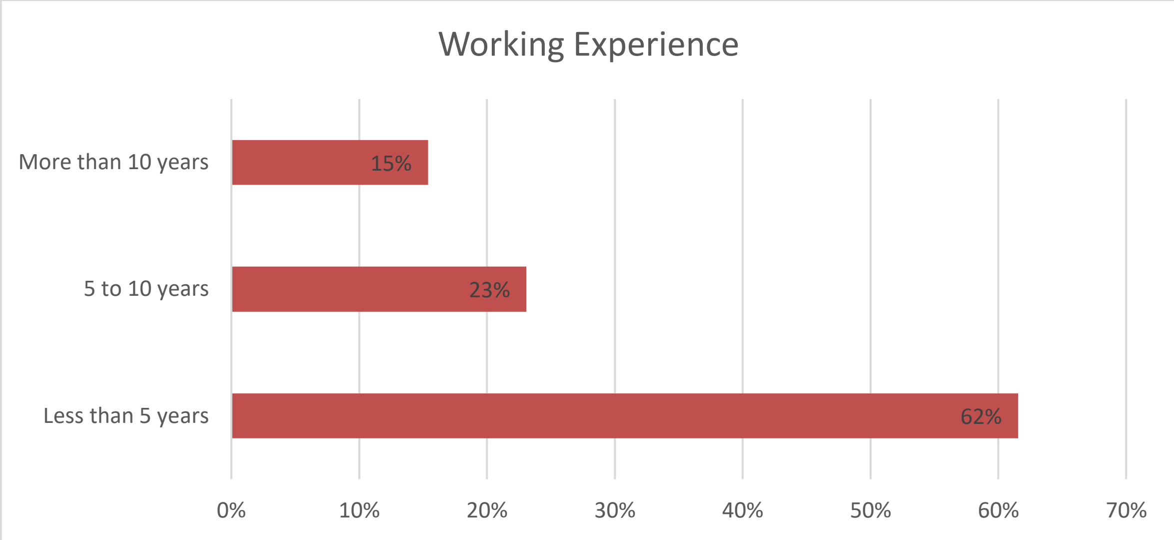

Fig 4.3: Working experience

According to fig 4.3, fifteen per-cent of the Thirteen questionnaires returned said that they have worked in accounting-related jobs for more than ten years, twenty-three per-cent indicated that they have worked during the last five to ten years, and sixty-two per-cent have worked less.

The bulk of questionnaires was completed by persons with realistic practical expertise in the accounting sector and associated concerns, lending credence to the conclusions.

4.4 Educational levels of the respondents

The study also sought to examine the educational levels of the participants. This was done to see if TSL Ltd employs highly qualified personnel in its accounts and finance departments. Table 4.4 shows that a significant proportion (thirty-eight per-cent) of the respondents had a degree. The Diploma and Advanced level certificates holders had thirty-one per-cent and fifteen per-cent respectively. Ordinary Level Certificate and Masters Holders have eight per-cent each as illustrated in Fig 4.4 below.

EDUCATIONAL LEVEL	FREQUENCE	PERCENTAGE
Professor	-	0%
Doctorate	-	0%
Masters	1	8%
Degree	5	38%
Diploma	4	31%
Advanced level	2	15%
Ordinary level	1	8%
Total	**13**	**100%**

Table 4.4: Educational level

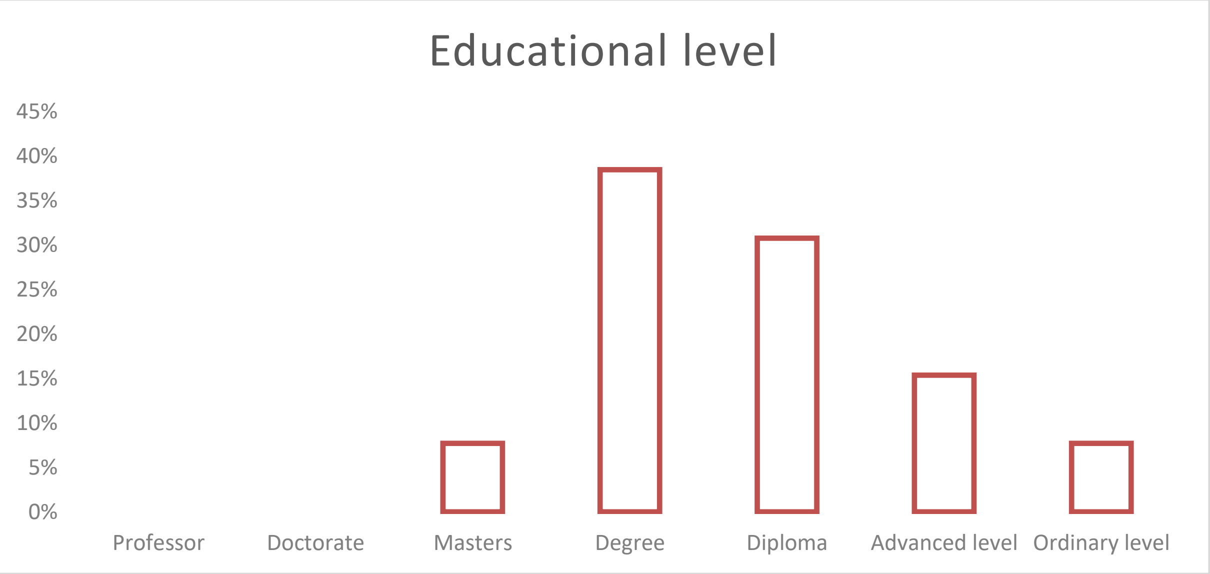

Fig 4.4: Educational level

Demographic factors such as education influence the use of e-financial disclosure. Thus, according to the comments of respondents, TSL Limited hires competent trained individuals who understand the need for transparency, which is one of the reasons why firms in the tobacco industry offer financial information on their websites. Furthermore, the data suggest a greater concentration of higher credentials. The youth of today is studying at a higher education level than the aged, ZimStat (2013). This explains why the degrees and certificates in fig. 4.4 are organized collectively. The data show that practically anybody, irrespective of educational status, can comprehend what financial disclosure is, how it's generally measured, and what has to be done to improve disclosures. The credentials of the participants also suggest that they were able to contribute substantially to the research .

4.5 How many employees work at your workstation?

The study also sought to study how many employees work at each station/ department the respondents to organization works in. This was done in an attempt to evaluate how big the company is?

NUMBER OF EMPLOYEES	FREQUENCY	PERCENTAGE
Less than 5 employees	2	15%
5 to 10 employees	3	23%
10 to 25 employees	1	8%
More than 25 employees	7	54%
Total	**13**	**100%**

Table 4.5: Number of employees

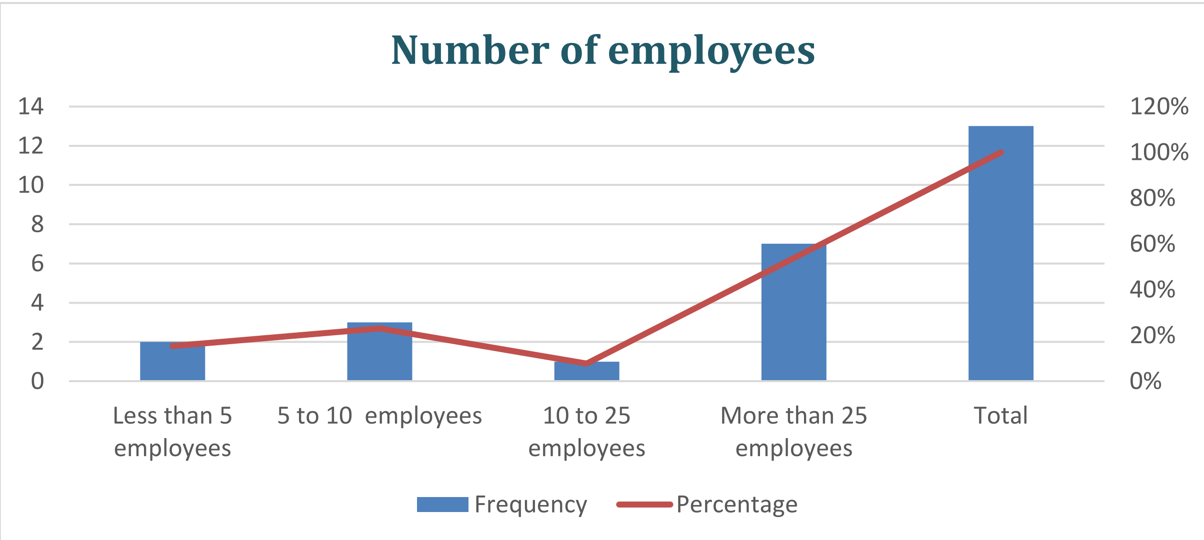

Fig 4.5: Number of employees

To summarize fig 4.5, fifteen per-cent of the respondents were saying they're less than 5 employees, twenty-three per-cent say there are 5 to 10 employees while eight per-cent say they’re about 10 to 25 employees and fifty-four per-cent were above 25 employees. The results show how big TSL ltd is in its industrial sector.

According to Mohamed, (2008), the bigger you get, the more you need to provide more information to reach out to more people. Moreover, it is dependent on the firms' perspective... We may deduce that larger firms, with more shareholders, greater technology, and foreign shareholders, will be required to give more information. Thus, the researcher concluded that TSL is a big company that needs to disclose more on its website and all the respondents had plausible accounting and finance knowledge.

4.6 Position of the respondents

This area is critical since it offers information on the respondents' position/occupation, which will aid in determining if TSL Limited employs workers in the accounting information. The respondents' positions are depicted in the pie chart in fig 4.6. It is made up of 15 (N) questionnaire respondents. Sample size (N) before the non-response rate is taken into account. This is given in table 4.6 below.

POSITIONS	FREQUENCY	PERCENTAGE
Accounts clerk	6	46%
Assistant Accountant	3	23%
Accountant	2	15%
Finance Director	1	8%
CFO	1	8%
Total	**13**	**100%**

Table 4.6: Position of the respondents in the organization

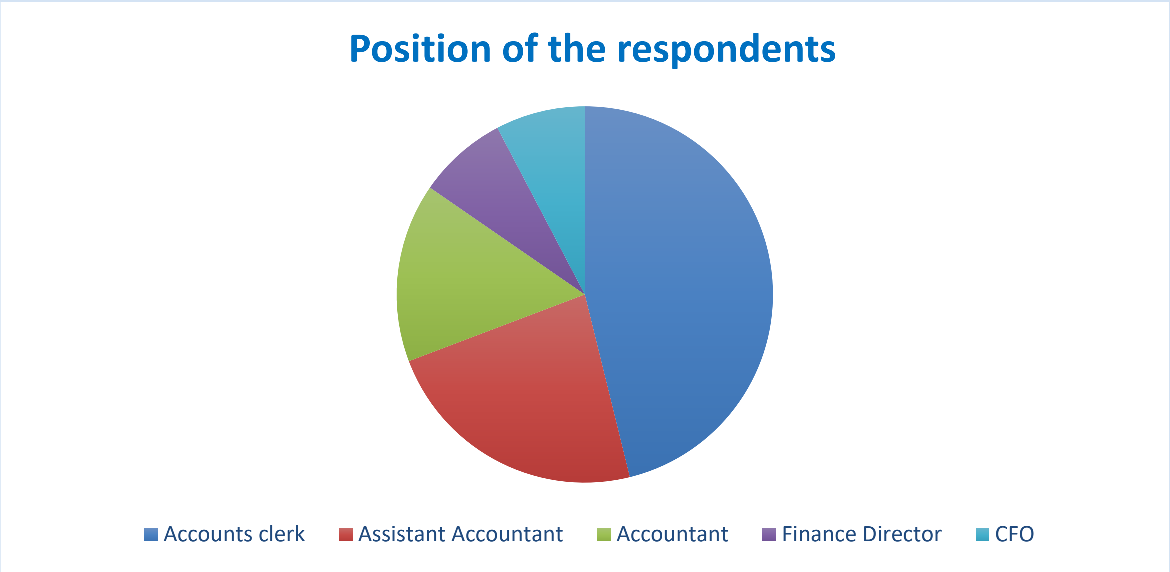

Fig 4.6: Position of the respondents in the firm.

The different job titles held by participants within the company are summarized in Fig 4.6. As previously indicated, 46% of participants are Accounts Clerks, 23% are Assistant Accountants, 15% are Accountants, and 8% each is Finance Director and CFO. The importance of emphasizing the respondents' structure is to highlight the proportions of the sample population from which responses were gathered. The replies were obtained from the majority of participants who had a reasonable understanding of financial matters, as shown in Fig. 4.4.

4.7 Usefulness of Information Disclosed by TSL Limited

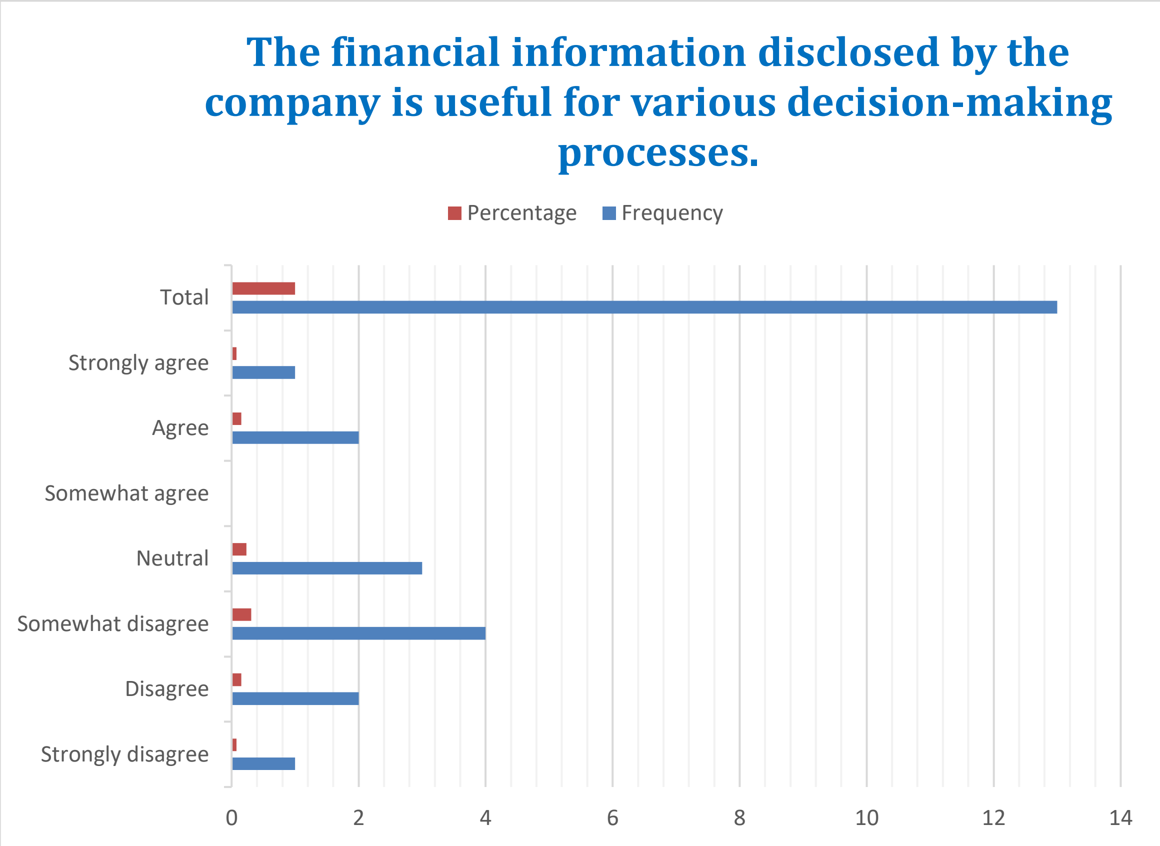

Fig 4.7: Usefulness of information disclosed

Fig 4.7 demonstrates that just around 15% and 8% of total respondents agreed and strongly agreed, respectively, while 23% were indifferent and 31% slightly disagreed that the data supplied by the firm is valuable for making sound decisions. Fifteen per-cent of all respondents disagree with this assessment, while eight per-cent strongly disagree that the data offered by their employers is valuable.

TSL Limited's financial reports are thought to be a little less relevant for making important decisions. According to Gale and Stokoe (2001), accounting results are typically seen as insufficient information that makes them useful for making informed decisions. Many firms are progressively embracing International Financial Reporting Standards (IFRSs) and International Accounting Standards (IASs), putting their financial reporting in line with the qualitative financial reporting aspects (Webdey, 2010). Zimbabwe is no different (Ndamba, 2014). On the other hand, modern consumers are increasingly keen to know about sustainability. As a result, if financial accounts are missing information, they are quickly dismissed as useless for making decisions.

4.8 Characteristics of Financial Statements.

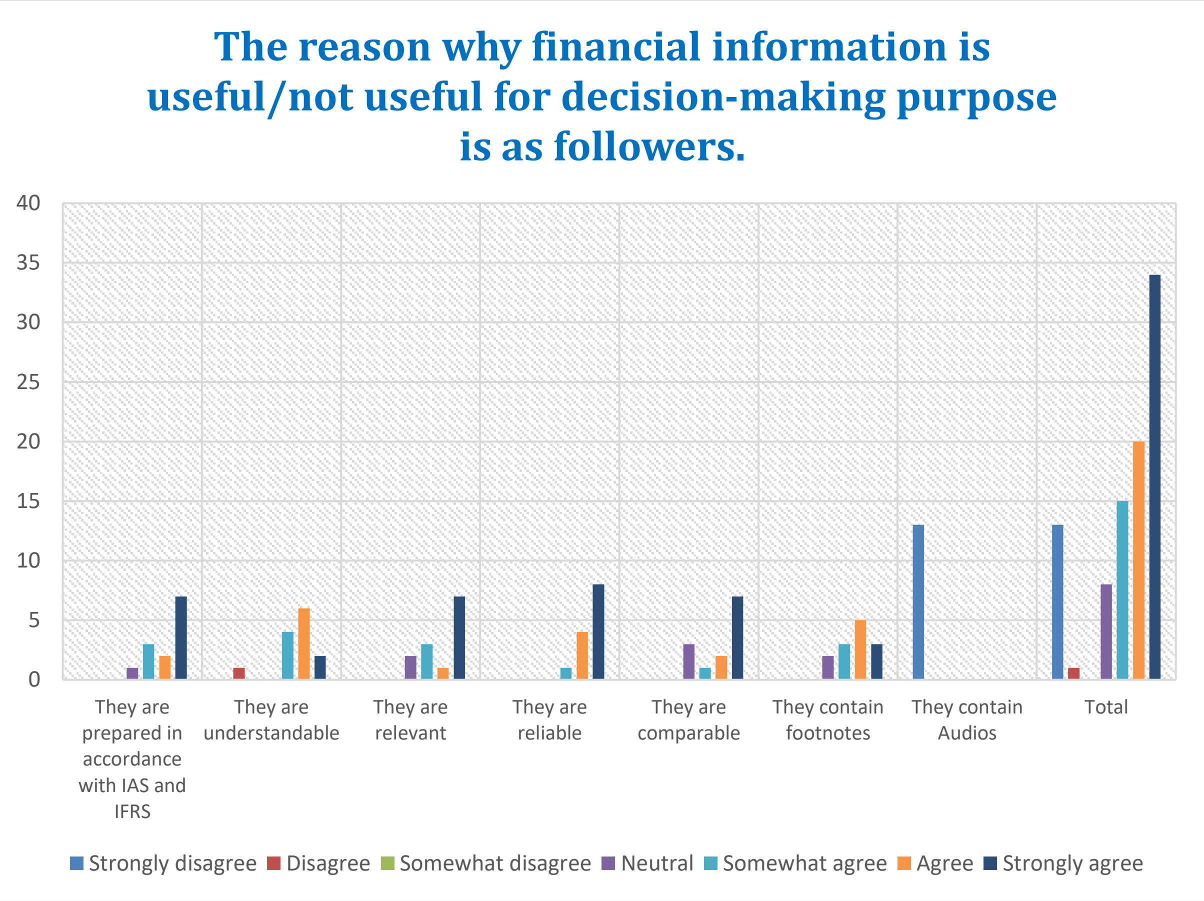

Fig 4.8 Characteristics of Financial Statement

According to Fig 4.8, 54% of all respondents believe that financial reports are prepared in compliance with International Accounting Standards and International Financial Reporting Standards. Fifteen per-cent and twenty-three per-cent agreed and partially agreed with this viewpoint, respectively, while eight per-cent were neutral.

15 % strongly agreed, forty-six per-cent agreed, thirty-one per-cent slightly agreed, and the remaining eight per-cent disagreed with the assertion that TSL Limited financial statements are intelligible.

Concerning the significance of financial reporting, 54% strongly agreed, 8% agreed, 23% slightly agreed, and the remaining 15% were neutral.

Concerning the dependability of financial reporting 61% highly agree, 31% agree, and 8% somewhat agree that TSL Limited's financial disclosures are credible.

In response to the issue of the comparability of TSL Limited's financial statements, 54% strongly agreed, 15% agreed, 8% agreed, and 23% slightly agreed and neutral.

TSL Limited reports feature audios, according to all respondents.

23% agreed, 38% agreed, 23% somewhat agreed, and 15% slightly agreed that TSL Limited reports contain footnotes.

According to the replies, content analyses demonstrate that the qualitative features incorporated in the Accounting Framework are given priority by enterprises involved in the tobacco sector, such as TSL Limited. The qualitative aspects include comprehension, relevance, and comparison.

Sustainability data, on the other hand, is still rarely given in financial records (Ndamba, 2015). Accounting users are becoming increasingly aware of sustainability concerns, to the point that yearly reports that don’t incorporate sustainability data are regarded less relevant for making decisions.

Fig 4.7 and 4.8 support the idea that accounting reporting users are constantly on the lookout. As demonstrated in Fig. 4.7, more than 70% of all participants thought the information in TSL Limited annual reports was unhelpful for making judgments. This is owing to a dearth of sustainability data in annual reports, including environmental data and social advantages and disadvantages. As a result, companies should offer material information on sustainability in addition to financial disclosures.

4.9 The following measures can be taken to enhance the financial disclosures by companies.

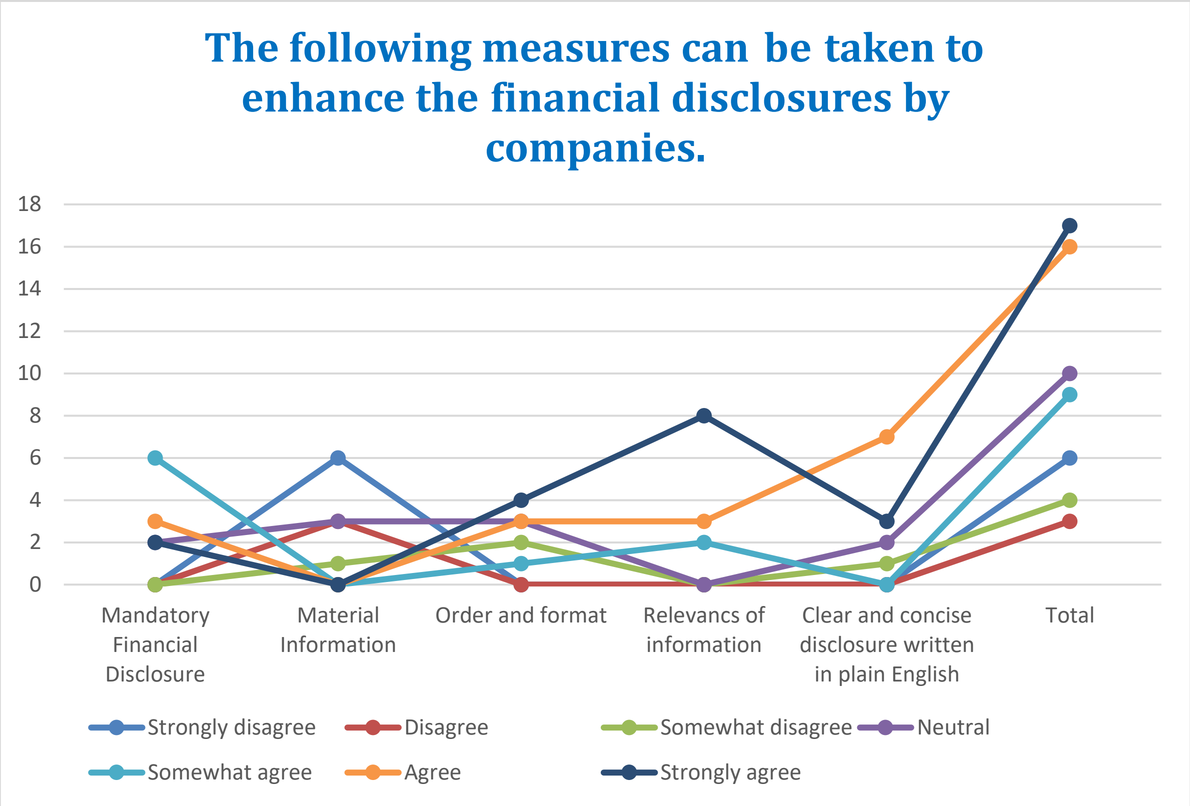

Fig 4.9: the measures that can be taken to improve financial disclosures

Fig 4.9 shows that 15.5% of the respondents each strongly agreed, 15.5% neutral, agreed, 23% agreed, 46% somewhat agreed, with the notion that mandatory disclosure works to improve financial disclosures by the company.

46% strongly disagreed, 23% disagreed, 23% were neutral and 8% somewhat disagreed, with the notion that material information should be disclosed to improve financial disclosures.

31% strongly agreed, 23% agreed. 23% were neutral 15% somewhat disagreed and 8% somewhat agreed with the notion that order and format will help to improve financial disclosures.

6% strongly agreed, 23% and 15% somewhat agreed with the notion that relevance of information will help to enhance financial disclosures by companies.

58% agreed, 23% strongly agreed, 15% were neutral and 8% somewhat disagreed with the notion that clear and concise disclosure written in plain English can help to enhance financial disclosures by companies.

Different organizations that offer financial data online urge that legislation, policies, and guidelines are established requiring all listed firms' corporations to have webpages and reveal their account statements on such sites, to improve online disclosures. Shareholder Relations should be provided more attention at all times. The Client Services department's tasks should be specified in each of these legislations. Furthermore, retraining classes for all senior management within the organization, not just Client Services professionals, should be made available to help them comprehend the notion of Shareholders. To make it easier for Client Services officers to perform out their obligations, some organizational changes should be undertaken.

According to Unnamed Author (2021), companies should provide advanced search functionality, the website design should allow users to adjust the presentation of information focused on the devices they use, and viewers should be able to view 10-K executive recaps that show only the recent developments since the prior year's report. In addition, the company should provide a data visualization platform. Financial statement customers will benefit from a new platform that allows users to easily compare firms' financial information historically and in the context of their sector, according to the endeavour (Tysiac, 2014). In addition, the company should make more use of XBRL data. According to the study, many adjustments might be done to shorten search time and improve the use of XBRL interactive data.

4.1.0 The needs of investors.

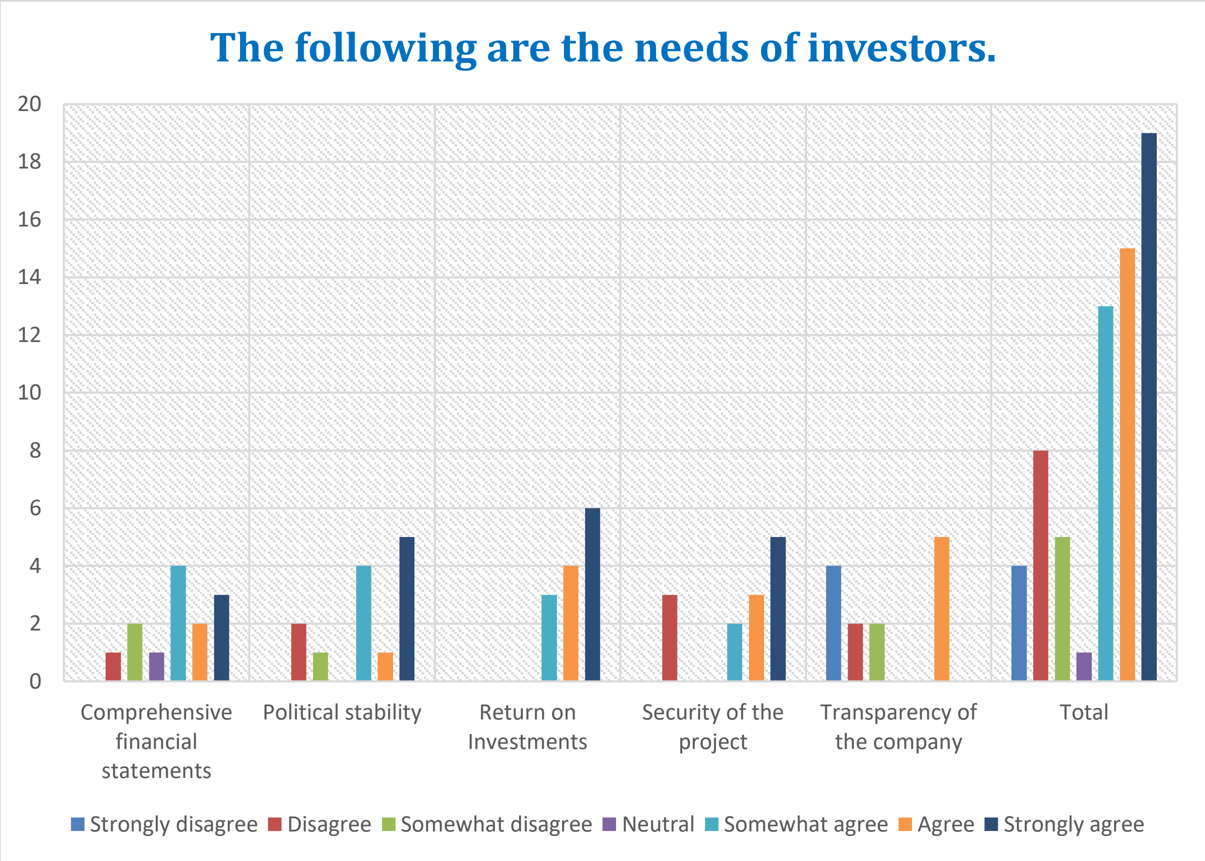

Fig 4.1.0: The needs of investors

Fig 4.1.0 shows that 8% disagree, 15% somewhat disagree, 8% were neutral with the statement that investors need comprehensive financial statements. However, 31% somewhat agreed, 15% agreed and 23% strongly agreed with the notion that investors need comprehensive financial statements.

On the notion that investors need political stability, 31% strongly agreed, 8% agreed and 31% somewhat agreed with the statement that investors need political stability. However, 8% somewhat disagreed and 15% disagreed with the same statement.

23% somewhat agreed, 31% agreed and 46% strongly agreed with the statement that investors need is return on investment.

23% disagreed with the statement that investors need security on their investments while 16% somewhat agreed, 23% agreed and 38% strongly agreed with the notion that investors need security on their investments.

31% strongly disagreed, 15% disagreed as well as 15% somewhat disagreed with the notion that the investors need transparency of the company. On the other hand, thirty-nine per-cent agreed that investors need transparency of the company.

4.1.1 Investor concern about financial disclosures.

The researcher also wanted to know if the investors are happy with the current financial disclosures or if they were concerned with the financial disclosures being disclosed on the Internet by companies. Fig 4.1.1 shows the results.

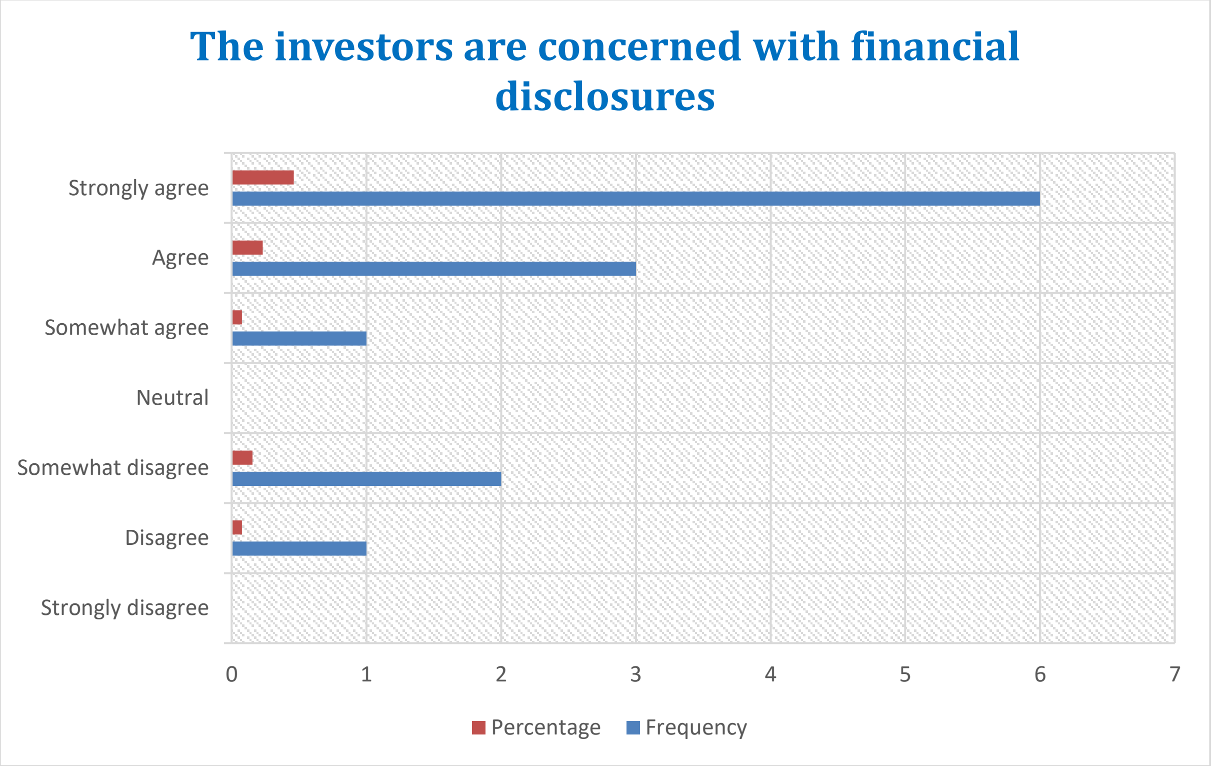

Fig 4.1.1: Investors concerned about financial disclosures

Figure 4.1.1 reveals that 46% of all respondents strongly felt that financial disclosures are important to investors. Twenty-three per-cent agreed, with eighty per-cent somewhat agreeing, that investors are concerned. Fifteen per-cent disagree somewhat, and eighty per-cent disagree completely with the concept that investors are worried about financial disclosures.

Financial disclosures are crucial to investors, according to about 50 % of the population. The findings back with the conclusions of the CFA Institute's research on financial disclosure and reporting. They observed that the majority of their respondents believe disclosures are excessively long and that the source of this perception is redundant or unnecessary disclosure content. In addition, companies seeking private capital must publish their financial information online to make it simpler for overseas investors to obtain continuously and information in a timely.

4.1.2 Accounting environment

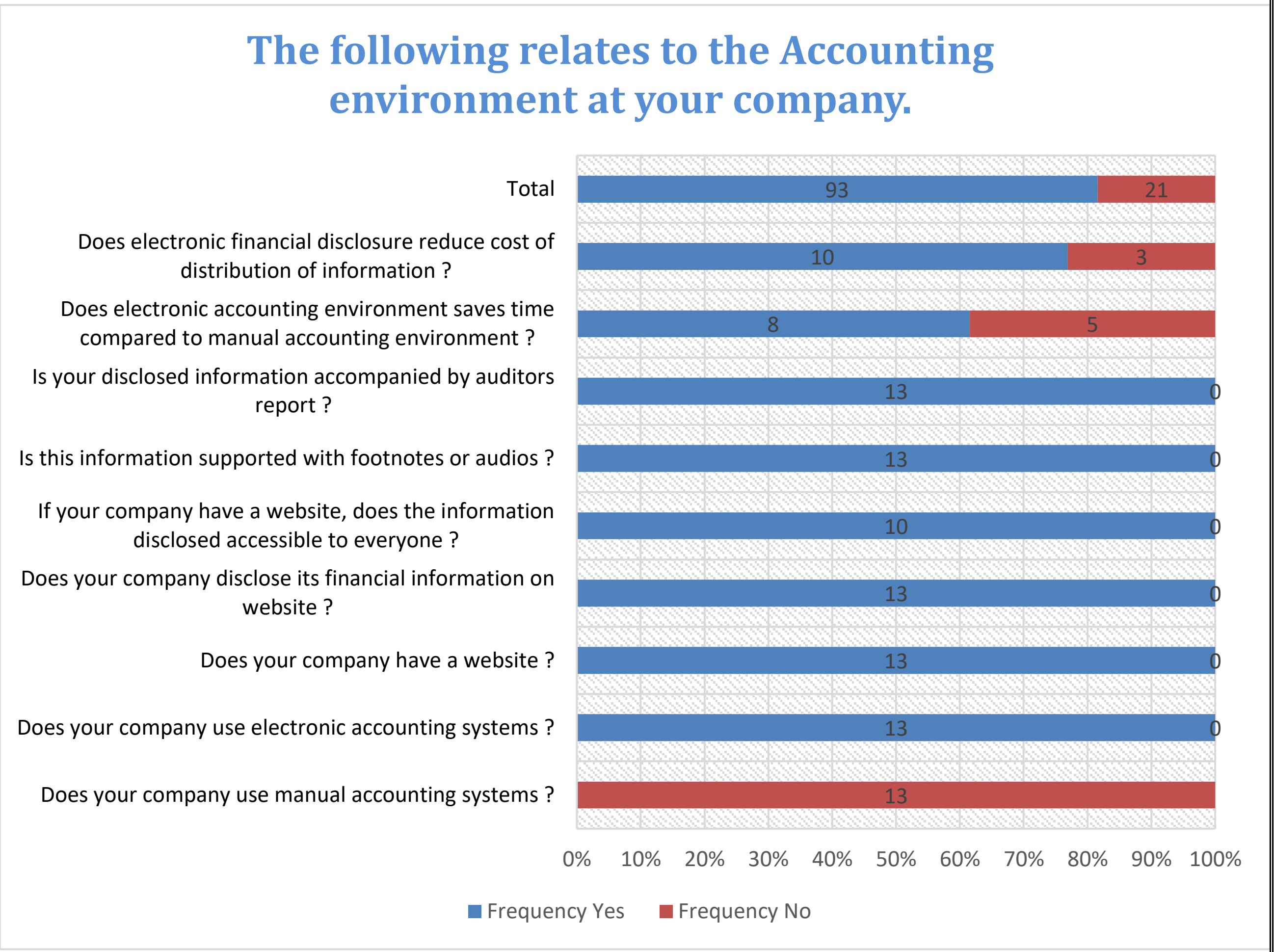

Fig 4.1.2: Accounting environment

The following questions have been provided to all responders, and they have all agreed to them.

Do you employ computerized accounting systems in your business?

Is there a website for your company?

Is financial information about your organization accessible on the internet?

Is there any evidence of this information in the form of footnotes or audio?

Is your financial data backed by a report from an auditor?

On the other hand, all the respondents have disagreed with the following questions.

Does your company use manual accounting systems?

Sixty-two per-cent of the respondents have agreed to this question.

Does electronic accounting save time compared to manual accounting?

Seventy-seven per-cent of the respondents have agreed to this question.

Does electronic financial disclosure reduce the cost of distribution of the information?

4.1.3 Does electronic financial disclosure improve performance compared to other ways of financial disclosure and what type of financial information is disclosed at your company?

Answer: “The internet is regarded as the initial "point of contact" or site of engagement. The investor can get in touch with the firm and get all of the essential information. As a result, the first and easiest approach for a stakeholder to discover more about a firm, whether local or multinational, is to search the internet. Internet disclosure, as compared to other methods of disclosure, is the way of the future since it can save time, reduce expenses, and promote transparency.”

Answer: “Firms disclose on the website to be transparent to all key players; foreign investors may easily access the reports; as a result, online disclosure is a superior way of communicating and disclosing information.”

Answer: “Because we should ensure that everyone receives information at the same time, internet disclosure may minimize time and improve information distribution performance.”

Answer: “The Company is the first to understand and use the notion of disclosure. Then we may decide whether to broadcast this information on the internet, in newspapers, through the ZSE's circulation or data screen, or any other methods.”

To be more transparent, huge businesses should publish more economic info online on their internet sites. A firm that wants to establish a reputation and be seen and recognized by everyone on the planet must publish its financial information to the public so that anyone seeking information may access it. As a result of the responses, companies that are deemed to be transparent and credible, entities that are always looking for more cost-effective ways to operate, and companies that are looking for new ways to provide information to cut costs are all regarded as being in good shape.

4.1.4 Chapter Summary

The focus of this chapter was on data analysis and visualization. The information gathered from the respondents was analysed to give meaningful data from which conclusions could be drawn regarding the whole study effort. After the data was reviewed in Microsoft Excel, the information was shown in simple tabular, charts, and graphs. The next chapter includes an overview of the whole research project, as well as a general conclusion and potential research ideas.

CHAPTER FIVE

SUMMARY, CONCLUSIONS, AND RECOMMENDATIONS

5.0 Introduction

This will be the final chapter of the research study. The preceding chapter addressed data presentation and analysis in an electronic accounting system, with a focus on financial disclosure data. Based on the data acquired throughout the investigation, recommendations are underlined.

5.2.0 Research major findings

5.2.1 The main objective of the research were to determine the factors to be considered in financial disclosure in an electronic accounting environment.

This study looked at financial disclosure in an electronic accounting environment and discovered what factors influence firms' decisions to use the Internet for this purpose. Company age and electronic accounting environment, size and electronic accounting environment, wealth and electronic accounting environment, and liquidity and electronic accounting environment were among the characteristics examined. TSL Limited's internet financial reporting and disclosures are influenced by certain corporate factors, according to the findings. It is discovered that size or in-place assets are major determinants in determining the levels of internet financial reporting and transparency, although age, wealth, and liquidity are not. Furthermore, some researchers have suggested that the competitor's traits are also variables. The findings at the very least give some information and comprehension of Zimbabwe's tobacco industry's internet financial reporting and disclosure practices.

5.2.2 To determine how financial disclosure in an electronic environment can reduce the cost of distribution of information.

According to the study results, TSL Limited discloses more financial information to reduce asymmetric information and agency costs. In addition, the more publicity TSL receives, the more pressure it feels to share information. TSL appears to publish information on the internet to take advantage of lower costs as a result of the companies' capabilities.

Importantly, the findings are consistent with agency theory, which holds that by providing a massive flow of corporate information, large businesses can reduce the high agency costs related with symmetric information among key players. Further, huge businesses, according. to the political cost theory, attract more financial analysts, placing firms under greater pressure since they are more publicly visible. Thus, as a result, the firm will have reduced the cost of distribution by supplying financial information on the internet.

5.2.3 To determine how financial disclosure in an electronic environment can improve the transparency of Tobacco Sales Limited.

The disclaimers displayed by businesses on their websites may be linked back to transparency; the disclaimers free the firm of any liability concerns that may occur as a result of insufficient information or a lack of high-quality information (transparency issues). This is because the specifics of disclosures differ depending on the company's origin and the sector in which it operates. Thus, firms that place disclaimers on their websites will raise greater worries about the company's openness; after all, sensitive material should not be publicly exposed. As a result of this realization, new study areas develop. What are the disclaimers there for? Is it just to protect the company from liability problems, or is it a means of avoiding responsible financial reporting on websites? Why do some companies emphasize presentation above financial reporting quality and information on their websites?

5.3.0 Conclusions

Users of financial reporting, especially investors, require trust in the firms in which they invest, and financial information disclosure is critical in establishing such trust. As a result, this study serves as a means of communication to several stakeholders in the general public. This study makes several important contributions. To begin, it broadens Internet Financial Disclosure by examining a new and emerging country, Zimbabwe, in the tobacco industry, which has not previously been studied. It does so by assessing the demands of investors and what investors are concerned about the financial information they reveal, to establish the variables to be addressed in TSL Limited's financial disclosure on websites. Second, the research goes beyond the online accounting environment to resurrect the steps/stages for disclosing financial information and organizing the information for easier navigation.

5.3.0 Recommendations

Companies should utilize the findings of this research to create benchmarks of best practices for electronic financial disclosure. Companies should investigate factors that they have not recognized and published on their websites, as well as report flaws, and apply examples of best practices offered to enhance electronic financial disclosure.

1. Electronic financial disclosure differs in composition, depth, dependability, completeness, and consistency, according to the findings of this study. Also, another suggestion is for the IASB to resurrect this project and integrate it with the harmonization program.

2. The following recommendations are offered for corporations and regulatory authorities to implement based on the study's results.

    a. Companies should improve the qualitative qualities of financial transparency on the Internet.

    b. Companies should publish reports both online and in hard copy.

    c. Companies should produce audit reports for any accounting information disclosed on their website, or make a clear distinction between audited and unaudited financial data.

    d. Transparency in corporate governance in conformity with globally acknowledged norms.

    e. Provide a more user-friendly format for financial report presentation, such as a contents page at the beginning of the report with links to specific elements.

    f. Regulatory and professional authorities, as well as large companies throughout the world, should collaborate to develop templates for firms to use, leading to consistent electronic financial disclosure.

5.3.0 Other recommendations to enhance the electronic financial disclosures

5.3.1 Companies should rethink the financial routine

1. As early as possible in the disclosure process, give the investors and other stakeholders the most important information about the company.

2. Use section separators, coloured tabs, and an index to make the text more intelligible and easier to explore.

3. Show the layout to peers outside the immediate team and ask if the format is apparent to them. Then, assign them the task of retrieving a piece of information and see how quickly they can recover it.

These aspects will aid in the creation of a clear and well-organized disclosure that focuses on the basic interests of your investors as well as the greatest potential results. Transparency in corporate governance in conformity with globally acknowledged norms.

5.3.2 Companies should remove useless redundancy information

Financial reporting professionals should avoid the practice of repeating identical narratives in different areas of financial disclosure. When you avoid repetition in a disclosure, you may be surprised at how much clarity emerges.

5.3.3 Companies should draw focus to the most crucial financial information

This can be accomplished through a variety of layout techniques, such as using tables or charts in place of narrative text, using different types of charts, using eye-catching colours and larger typeface, using a different type font, displaying time-ordered comparative charts, and placing a key piece of text inside a box, to name a few.

However, it should be highlighted that the business should have a policy in place for showing non-IAS/IFRS financial data in its reports. The firm may determine that combining non-IAS/IFRS insights provides its investors with more operational perspectives on your company's performance, but how much data are portrayed is crucial.

5.3.4 Companies should use plain language in an electronic accounting environment

When making disclosures, it's best to use short, declarative statements wherever possible. Big phrases should be broken up into small ones, and long stories should be split up into several paragraphs. Select clear English above technical jargon. Avoid or limit the use of acronyms whenever feasible. Finally, your driving principle should make the disclosure simple to read, comprehend, and remember.

5.3.5 Companies should allow their numbers to tell the story

Many pages of text can be replaced with a single, well-organized graph of figures. Companies should explore whether turning their data to a bar or pie chart will help them communicate essential financial information more simply and effectively than a financial statement-style table.

5.3.6 Companies should apply clarity principles to footnotes

Avoid forcing readers to go deep into footnotes to find the most valuable information if at all feasible. If your footnotes are extensive, order them so that the most significant disclosures appear first, and call attention to crucial points with techniques such as bold-facing, underlining, or italicizing. Furthermore, rather than the rigid legal jargon seen in many financial disclosure footnotes, businesses should use simple vocabulary and shorter, uncomplicated words.

5.3.7 Companies should consider consulting with external stakeholders

It's a good idea to get feedback from important external stakeholders before making big modifications to the company's disclosures. Contacting analysts might be a beneficial approach. Bunbury (2017) examines which tables and narratives individuals consider relevant or useful, as well as which they depend on less frequently. "A reporting issuer should avoid disguising its most essential signals with superfluous and verbose disclosures" (Nigel, 2019). These unbiased viewpoints from consumers outside the business may assist the team in deciding whether to simplify some disclosures or add to others.

Finally, the researcher believes that if the company follows the above recommendations, it will be able to sustain its financial disclosures and be transparent to its stakeholders and stockholders

5.3.8 Recommendations for further studies

Since this was a case research study, only one firm, Tobacco Sales Limited, the sample size utilized may have been fairly small for the researcher to gain a general image of companies in the same industry as the one understudy. For improved findings, additional studies in this area should focus on expanding the sample size and covering more than one company whose activities are comparable to those of Tobacco Sales Limited. Furthermore, additional studies on the characteristics of electronic financial disclosure should be carried out with a huge sample size and the results compared.

In addition, the study included independent as well as dependent variables within the company. Any other researcher interested in conducting a study on the same topic should use other variables outside the scope of the company but within the same industry to get a bigger picture, and should also look at this topic from the perspective of an investor, which this study did not look at in detail.

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APPENDIX I

Bindura University of Science Education

Faculty of Commerce Department of Accounting

741 Chimurenga Road off Trojan Road

Bindura

12 May 2021

TSL Limited

28 Simon Mazorodze Road

Harare, Zimbabwe

Dear Sir/ Madam

RE: REQUEST FOR PERMISSION TO CONDUCT RESEARCH AT YOUR COMPANY.

The purpose of this application is to research the topic of "**Financial disclosure in an electronic accounting environment. A case of TSL Limited.**" The research is a prerequisite of my Bachelor of Accountancy Honours Degree at the Bindura University of Science Education, which I am now pursuing. I guarantee that any information gathered during the research will be kept private and utilized solely for academic reasons.

I hope you will consider my application.

Kind regards

Allan Gatsi

+263 78 343 5238

APPENDIX II

QUESTIONNAIRE

INSTRUCTIONS

1. *Do not write your name on this questionnaire.*
2. *May you please attempt all questions?*
3. *Please place a tick (√) in the box of your preferred answer and or a narrative answer in the place provided.*

Your cooperation will be greatly appreciated as this questionnaire will help to come up with solutions to challenges faced in financial disclosure in an electronic accounting environment.

Key

1=strongly disagree, 2= somewhat disagree, 3= Disagree, 4= Not Sure, 5= somewhat agree, 6= Agree, 7= strongly agree.

SECTION A

1. Position of the respondent

……………………………………………………………………………………

2. The sector of the industry

……………………………………………………………………………………

3. How long have you been in this business sector?

Less than 5 years	
5 to 10 years	
More than 10 years	

4. Qualification of the respondent

Professor	
Doctorate	
Masters	
Degree	
Diploma	
Advanced Level	
Ordinary Level	

5. How many employees work at your workstation?

Less than 5 Employees	
5 to 10 Employees	
10 to 25 Employees	
More than 25 Employees	

SECTION B

1. The financial information disclosed by the company is useful for various decision-making processes.

Strongly disagree	
Disagree	
Somewhat disagree	
Neutral	
Somewhat agree	
Agree	
Strongly agree	

2. The reason why financial information is useful/not useful for decision-making purposes is as followers.

Characteristic	**1**	**2**	**3**	**4**	**5**	**6**	**7**
They are prepared following IAS and IFRS							
They are understandable							
They are relevant							
They are reliable							
They are comparable							
They contain footnotes							
They contain Audios							

Others..
....
....
....
....

3. **The following measures can be taken to improve the financial disclosures by companies**

Measure	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Mandatory Financial Disclosure							
Material Information							
Order and format							
Relevance of information							
Clear and concise disclosure written in plain English							

Others...
....
....
....
....

4. **The following are the needs of investors**

Needs	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Comprehensive financial statement							
Political stability							
Return on Investments							
Security of the projects							
Transparency of the company							

5. The investors are concerned with financial disclosures

Strongly disagree	
Disagree	
Somewhat disagree	
Neutral	
Somewhat agree	
Agree	
Strongly agree	

Others..
....
....
....
....
....

6. The following relates to the accounting environment at your company.

Characteristics	**Yes**	**No**
Does your company use manual accounting systems?		
Does your company use electronic accounting systems?		
Does your company have a website?		
Does your company disclose its financial information on websites?		
If your company has a website, is the information disclosed accessible to everyone. ?		
Is this information supported with footnotes or audio?		
Is your disclosed information accompanied by the auditor's report?		
Does electronic accounting save time compared to manual accounting?		
Does electronic financial disclosure reduce the cost of distribution of the per-cent information?		

Does electronic financial disclosure improve performance compared to other ways of financial disclosure and what type of financial information is disclosed at your company?

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