



## Financial Accounting in The Era of Artificial Intelligence: A Literature Review

**Baneen Sadoon**

Department of Accounting, College of Administration and Economics, University of Cordoba, Iraq

\* Corresponding Author: **Baneen Sadoon**

---

---

### Article Info

**ISSN (online):** 2583-6641

**Impact Factor (RSIF):** 8.56

**Volume:** 05

**Issue:** 03

**May-June 2026**

**Received:** 08-04-2026

**Accepted:** 06-05-2026

**Published:** 04-06-2026

**Page No:** 127-132

### Abstract

The current review aims to provide a theoretical framework for financial accounting and to understand the role of artificial intelligence in financial firms. This review synthesizes a body of empirical and theoretical research published in leading accounting and financial technology journals. The study adopted a theoretical literature review methodology following the PRISMA 2020 protocol, analyzing key empirical and theoretical studies published in English between 2020 and 2026, extracted from databases including Scopus, Clarivate, and Google Scholar. The analysis focused on the impact of AI techniques, such as machine learning and robotic process automation (RPA), neural networks, large language models, and blockchain, on financial accounting and auditing functions. The review concludes that AI is driving a paradigm shift in financial accounting; however, it remains an enhancing tool rather than a substitute for human judgment. The research recommends updating educational curricula and issuing regulatory and ethical frameworks, and adopting a hybrid methodology that integrates automation with human oversight to ensure responsible and sustainable use of AI.

**DOI:** <https://doi.org/10.54660/IJMOR.2026.5.3.127-132>

**Keywords:** Financial Accounting, Artificial Intelligence, Financial Literacy, Fintech

---

---

### Introduction

Financial accounting is an information system that measures, processes, and audits financial information related to an economic entity (Needles Jr & Powers, 2026:4) <sup>[1]</sup>. The integration of artificial intelligence and accounting seeks to achieve notable improvements in accuracy and efficiency. Through continuous learning and adaptation, machine learning algorithms enhance their ability to classify and process financial data. This adaptive capability not only improves accuracy but also accelerates the speed of analyzing large datasets (Ebirim *et al.*, 2024:966) <sup>[2]</sup>.

The objective of the current study is to answer the central research question: What is the role of artificial intelligence in financial accounting? This review provides a theoretical synthesis of previously published studies on financial accounting and explores how AI has been developed within financial firms. By employing a scientific methodology based on theoretical literature analysis, the study seeks to present an integrated financial accounting model that accounts for the cultural and economic characteristics of firms. It further offers practical recommendations to enhance the use of AI in organizations, thereby contributing to financial outcomes by providing future-oriented insights for decision-making and achieving sustainable competitiveness in a dynamic business environment

### Theoretical Framework

#### The Concept of Financial Accounting

The concept of financial accounting is understood as the systematic process of identifying, measuring, recording, classifying, summarizing, and communicating economic information related to an entity, in order to enable users of this information to make informed decisions. This is according to the International Accounting Standards Board (Zeff, 1972) <sup>[3]</sup>.

This purpose is achieved through the preparation of general-purpose financial statements, the balance sheet, income statement, cash flow statement, and statement of changes in equity in accordance with the following guiding principles: relevance, faithful

representation, comparability, verifiability, timeliness, and understandability. Financial accounting operates within a specific conceptual framework that prioritizes transaction-based historical cost as the primary measurement basis, supplemented in recent decades by fair value measurements under specific standards (Dennis, 2018) <sup>[4]</sup>. The concept of financial accounting is not static; it evolves in response to economic shifts, technological advancements, and regulatory requirements. Nevertheless, its core identity remains rooted in the stewardship function and the provision of decision-useful information to external capital providers (Horngren *et al.*, 2012) <sup>[5]</sup>.

Accounting is an information system that selects data, processes it, and produces information about an economic entity. This information is fundamental to the efficient functioning of capital markets. Financial accounting has a unique role in mitigating the risks and uncertainties faced by investors and lenders by providing useful information about the reporting entity. The inputs, processing, and outputs of the system are governed by accounting principles, theories, and Concepts (Kolitz, 2016:10) <sup>[6]</sup>.

Financial accounting provides internal stakeholders with insights into an entity's profitability, cash flows, and overall financial health, thereby supporting strategic decision-making and operational planning (Carlon *et al.*, 2025) <sup>[7]</sup>. Furthermore, financial statements furnish managers with comprehensive data on revenue sources, expenses, and liabilities, enabling them to make informed choices regarding resource allocation, budgeting, and future growth. Accurate financial accounting information helps employees understand the organization's financial trajectory, thereby enhancing transparency and engagement (Ahmed, 2021:91) <sup>[8]</sup>. The core functions of financial accounting include recording and summarizing financial transactions, preparing standardized financial statements, balance sheets, income statements, and cash flow statements, and ensuring transparency for investors, creditors, and regulatory bodies (Kolitz, 2016) <sup>[6]</sup>.

Classical frameworks such as the Efficient Market Hypothesis (EMH) and Modern Portfolio Theory (MPT), and the capital asset pricing model (CAPM), emphasize rationality and market efficiency, and the quantitative assessment of risk in return. These are foundational theories in shaping securities analysis, asset pricing, and portfolio construction strategies (Sharma *et al.*, 2025:39) <sup>[9]</sup>. In addition, technological theory in the digital age focuses on how modern technology influences accounting practices, encouraging the adoption of an accounting approach that effectively integrates digital technologies to enhance organizational performance and improve corporate competitiveness (Abdelhaq *et al.*, 2025:1061) <sup>[10]</sup>. The automation of routine tasks extends to areas such as transaction classification, where machine learning algorithms can learn and adapt to changing patterns, making the process more efficient over time. This allows accountants to redirect their focus toward more complex and strategic aspects of financial management (Ebirim *et al.*, 2024:966) <sup>[2]</sup>.

Financial accounting is also defined as the process of identifying, measuring, and communicating economic information to enable external stakeholders and financial data users to make informed business decisions (Triani, 2023) <sup>[11]</sup>.

## The Concept of Artificial Intelligence

Artificial Intelligence (AI) systems are software systems designed by people that perceive their environment, either physically or digitally. They operate by collecting and interpreting data, reasoning on the basis of knowledge, or processing information derived from that data, and deciding on the best actions to take (Biolcheva, 2020:418) <sup>[12]</sup>. AI technology possesses the capability to eliminate repetitive tasks, assist in decision-making, and perform some tasks requiring judgment. Organizations have accelerated their use of AI (Haidari, 2022:2) <sup>[13]</sup>.

AI plays a crucial role in various industries by leveraging advanced algorithms and machine learning techniques (Al-Karaawi, 2026) <sup>[14]</sup>. AI can help financial institutions achieve greater effectiveness and efficiency in their operations (Božić, 2023:2) <sup>[15]</sup>.

Many financial firms seek to enhance the cognitive integration between users and AI tools (Nagbøl *et al.*, 2021:3) <sup>[16]</sup>. In recent years, organizations have moved toward adopting AI in their administrative, production, and marketing processes (Al-Karaawi & Al-hadrawi, 2025) <sup>[17]</sup>, particularly in accounting domains. Although the adoption of AI in companies may increase organizational efficiency, they must exercise caution when monitoring costs and required updates to intelligent systems to avoid any risks or uncertainties (Solaimani *et al.*, 2020) <sup>[18]</sup>.

Sustainable corporate governance has become essential for ensuring long-term success and sustainability. AI technologies play a significant role in enhancing sustainable governance practices (Al-Khazali, 2026) <sup>[19]</sup>, by improving operational efficiency, enhancing transparency and accountability, mitigating risks, and supporting informed decision-making (Cheng *et al.*, 2016) <sup>[20]</sup>.

The importance of AI emerges prominently in risk management, which is a set of coordinated activities that should be supported and promoted cross-functionally across the organizational structure and dimensions, including governance, processes, strategy, and culture (Al-hadrawi & Al-Karaawi, 2026) <sup>[21]</sup>, to direct and control the organization with respect to risk-related activities, such as identifying, analyzing, mitigating, and addressing risks in decision-making (Elmouden & Lotfi, 2022:25) <sup>[22]</sup>. The use of AI can achieve a high degree of synchronization in the risk management process, increase efficiency, make financial data analysis easier to understand, and eliminate many subjective errors (Biolcheva, 2020:418) <sup>[12]</sup>.

## The Role of Intelligence in the Development of Accounting

Numerous studies indicate that artificial intelligence has a transformative role in the development of financial accounting, radically moving the field from retrospective record-keeping to real-time strategic analysis (Sanz Martin *et al.*, 2026) <sup>[23]</sup>. Contemporary AI applications, encompassing machine learning, robotic process automation (RPA), and generative AI, have demonstrated tangible improvements in core accounting functions (Ali *et al.*, 2025) <sup>[24]</sup>. Empirical evidence suggests that machine learning-based anomaly detection systems have raised fraud detection accuracy from 65-75% using traditional rule-based methods to 85-92% (Thanasas *et al.*, 2026) <sup>[25]</sup>. Autoencoder neural networks in isolation forest algorithms have proven particularly effective

in identifying irregular journal entries that might escape manual review (Schreier *et al.*, 2024) <sup>[26]</sup>. Furthermore, the integration of RPA and intelligent process automation has reduced audit cycle times by 40 to 60% and expanded transaction coverage from times by 40-60% and expanded transaction coverage from selective sampling (5-10%) to comprehensive, full-population analysis (100%) (Thanasas *et al.*, 2026) <sup>[25]</sup>.

Financial information processing has undergone a comprehensive transformation, as technological advances affect all financial data systems responsible for recording and reporting functions. Blockchain technology acts as an immutable, decentralized ledger, providing financial transaction standards with enhanced traceability and security. Organizations utilize blockchain to implement smart contracts that perform real-time audits and prevent and detect fraud, enabling accountants to focus on formulating their organization's business strategies (Kamptotis *et al.*, 2025:4) <sup>[27]</sup>.

Traditional auditing relies heavily on manual procedures; however, the large volume of journal entries makes it impractical for auditors to examine each entry manually. Therefore, computer-assisted audit techniques (CAATs) are often used to extract and digitally analyze these data, examining suspicious transactions through a process known as journal entry testing (Mashiko *et al.*, 2025) <sup>[28]</sup>. Generative AI and large language models, as embodied in specialized tools such as fin-BERT, have enhanced accounting practices by automating the interpretation of complex financial texts, supporting the analysis of environmental, social, and governance (ESG) disclosures, and facilitating sentiment extraction from unstructured data sources (Baio & Hussain, 2024) <sup>[29]</sup>.

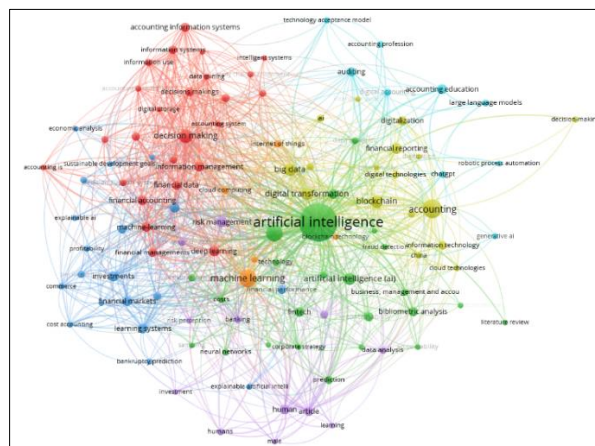
The role of AI in accounting is revolutionary: It simplifies accounting processes, improves accuracy, provides accountants and professionals in the field with automation, enhances data analysis, and strengthens predictive capabilities. However, AI also raises several significant ethical issues, particularly concerning data, such as bias and privacy, which must be addressed responsibly. Hence, accountants and firms must adopt AI and acquire the necessary skills to use it effectively. The integration of AI into business and accounting still requires further research to ensure its responsible use (Peng *et al.*, 2023:9) <sup>[30]</sup>. AI has brought about a paradigm shift in the accounting profession, carrying both benefits and risks. Among its most prominent advantages is the improvement of accounting

information quality. Integrating accounting practices traditionally or manually is often error-prone and requires substantial human effort, leading to lower quality of accounting information (Kindzeka, 2023:32) <sup>[31]</sup>. AI can continuously improve its ability to process complex data and respond to various situations through self-learning and self-enhancement, thereby providing more comprehensive and accurate support for accounting work. The application of AI technology enables better integration of financial and non-financial data, providing firms with more comprehensive and in-depth management information (Huang, 2024:45) <sup>[32]</sup>. AI improves efficiency and accuracy in financial reporting, meaning that automation is redefining traditional financial processes (Abdo-Salloum & Chehade, 2026:3) <sup>[33]</sup>. Therefore, contemporary accountants are expected to possess not only foundational accounting knowledge but also technical expertise in AI tools to maximize their potential (Usman *et al.*, 2025:2) <sup>[34]</sup>. The evolution of AI is expected to continue in the coming years across management accounting, other business sectors, and society as a whole (Kerr *et al.*, 2025:16) <sup>[35]</sup>.

## Materials and Methods

Data were collected according to the stages recommended in the updated PRISMA2020 protocol (Page *et al.*, 2021) <sup>[36]</sup>. Subsequently, articles were screened after applying the exclusion criterion that neither artificial intelligence nor financial accounting was the subject of the study.

The search relied on Scopus, Clarivate, and Google Scholar, as these are major data repositories due to their esteemed reputation for presenting scientific literature. The search period spanned eight months. Search results were filtered using the term "financial accounting" in conjunction with contextual terms such as "artificial intelligence" and "corporate performance". The search criteria were limited to articles published in English of the "Article" or "Review" type, and within the publication period from 2020 to 2026. Figure 1 presents a keyword co-occurrence network of Scopus-indexed papers on Financial accounting of AI. The circles represent keywords, where the size of each circle reflects the frequency/weight of the keyword, while the links illustrate the strength of conceptual associations between terms. Additionally, the colors indicate major thematic clusters related to areas such as financial reporting, digital transformation, machine learning, and automation processes\blockchain (RPA\Blockchain).



**Fig 1:** Keyword Co-occurrence Network on Accounting and AI Generated by VOSviewer

## Results

After reviewing the sources and their findings, the most prominent results can be presented based on recent studies and the differing fields of their application. The experimental study conducted by (Estep *et al.*, 2023) <sup>[37]</sup>, employing a multi-method approach, presents a model of rigorous mixed-methods research in accounting. Both the survey and the experiment involved actual financial executives (CEOs, CFOs, and financial controllers), while the experimental case (New View Energy) is based on U.S. Generally Accepted Accounting Principles (GAAP) and the U.S. auditing context. The study anticipates that AI will improve quality and efficiency, however. The authors emphasize the continued need for the human element; AI should augment managers' judgment, not replace it. Concerns included implementation costs, data availability, new IT risks, and the potential competitive advantage of large firms. Meanwhile, the review conducted by (Yi *et al.*, 2023) <sup>[38]</sup> provides a clear classification of classical accounting and finance problems, categorized under AI techniques, families (classification, clustering, regression). It offers comprehensive coverage across multiple subfields: Financial data analysis, investment and financing decisions, valuation, asset pricing, risk management, portfolio optimization, fraud detection, and anti-money laundering (AML). The study reports that the (LSTM) model achieves over 90% accuracy in sentiment analysis, and the (GCN) model outperforms logistic regression in (AML) applications. In the quantitative study conducted by (Abdullah & Almaqtari, 2024) <sup>[39]</sup> on a sample of 228 participants, including external auditors, board members, financial managers, senior executive managers, internal auditors, and accountants from various Saudi institutions, all three dimensions of AI, big data, cloud computing, and deep learning demonstrated statistically significant positive effects on AI adoption, with big data being the most influential factor. Perceived ease of use and perceived usefulness significantly affected the intention to use AI, which in turn impacted accounting education, accounting practices, and auditing practices. AI is transforming accountants from low-skill, routine tasks to high-skill, strategic roles requiring advanced analytical skills, critical thinking, and ethical judgment.

In the experimental study conducted by (Mwachikoka, 2024) <sup>[40]</sup> on a random sample of 100 accountants, including those from auditing firms, manufacturing, and local tourism companies in Zambia, it was found that AI has improved the accuracy of financial reporting and increased reporting efficiency. 55% of respondents believe that AI tools reduce human errors. The AI tools used in the study included machine learning, Robotic Process Automation (RPA), SAP Analytics, Tableau, and Oracle Financial Services. (Oweis, 2025) <sup>[41]</sup> Conducted a study on 150 financial professionals, including accountants, auditors, and financial managers in three major Saudi companies: Saudi Aramco (Energy), Al-Raji Bank (Banking), and Saudi Telecom Company (STC). The results showed that AI improves the efficiency of accounting operations, leading to a 44% weekly reduction in manual labor time, a 50% reduction in audit cycles from three months to one month, and a 25% improvement in the accuracy of financial forecasting. In the qualitative empirical study conducted by (Kundhadia, 2025) <sup>[42]</sup>, which employed a descriptive and exploratory research design targeting a specific sample of accounting

professionals from leading and medium-sized enterprises in India, the study concluded that AI leads to improved efficiency, enhanced accuracy, accelerated decision-making, fraud detection and risk management, and improved compliance monitoring. The study identified algorithmic bias in the "black box" nature of AI decision-making as a significant risk requiring regulatory oversight. To verify the feasibility of an AI technology framework, (Li, 2025) <sup>[43]</sup> created an AI-based accounting simulation model using MATLAB software and compared it with existing accounting models. The study found that the volume of financial data processing increased 95-fold, from 5000 entries per hour to 12,000 entries per day. The required labor force decreased by 76% between the experimental group and the control group. Furthermore, the average order processing time decreased by 63% from 5.8 minutes to 0.78 minutes, representing 37% of the original duration. In the study, employing a descriptive-analytical approach conducted by (Anand, 2025) <sup>[44]</sup>, primary data were collected through structured questionnaires completed by financial managers and specialists. The study used percentage-based analysis to assess the extent of AI technology adoption by institutions and its impact on their decision-making capabilities and financial data accuracy. The study results showed that institutions adopting AI systems achieve greater efficiency in financial reporting, with reduced human errors, increased data processing speed, and improved transparency of their operations. Managers use AI tools for predictive analytics because they provide support for decision-making based on current data. Automated reporting systems improve efficiency in complying with regulatory requirements.

## Conclusion

Based on the systematic literature review, which encompassed eight major empirical and theoretical studies from the period 2020-2026, it can be concluded that the integration of artificial intelligence into financial accounting is no longer merely a strategic option but has become an operational necessity that redefines the scope of the profession. The findings of all the analyzed studies converge on the existence of a positive and significant transformative impact of AI across three main axes: improving operational efficiency and accuracy, expanding the scope of analysis, transitioning to strategic roles, and enhancing control functions and risk management.

The review reaches a cautious consensus that AI is an enhancing tool rather than a substitute for human judgment. The studies have revealed recurring concerns regarding the "black box" nature of algorithms, algorithmic bias, implementation costs, data privacy, and the urgent need for regulatory and human oversight to ensure the responsible and ethical use of these technologies.

The findings derived from this review confirm the transformation of the accounting paradigm from the classical model based on historical cost and manual sampling to a dynamic model based on real-time and comprehensive analysis. This evolution aligns with technological theory in the digital age, which encourages the integration of digital technologies to enhance organizational performance.

## Recommendations

Based on the above discussion and in pursuit of promoting the responsible and effective use of artificial intelligence in financial accounting, the review recommends the following,

Develop clear professional standards for the use of AI in financial reporting and auditing, focusing on algorithmic transparency, accountability, and bias mitigation, following the models of sustainable corporate governance. Support applied case studies that measure the return on investment (ROI) of AI technologies in different cultural and economic contexts, especially in emerging markets.

Do not completely replace human judgment; rather, design systems in which AI serves as an intelligent copilot that enhances the capabilities of accountants and auditors, particularly in areas requiring judgment over non-programmable complexities. Ensure data quality and cleanliness, and establish frameworks for IT risk management, including data privacy and cybersecurity.

Researchers are encouraged to conduct studies that track the impact of AI on corporate performance over a longer time period to measure the true sustainability of improvements. Explore the behavioral and organizational aspects of AI adoption, such as resistance to change, trust in the system, and the impact on organizational culture. Researchers are also recommended to design AI models that combine the power of machine learning in pattern detection with traditional accounting rules to achieve a better balance between accuracy and explainability.

## References

1. Needles BE Jr, Powers M. Principles of Accounting. Zhafran Habi; 2026.
2. Ebirim GU, Unigwe IF, Oshioste EE, Ndubuisi NL, Odonkor B, Asuzu OF. Innovations in accounting and auditing: A comprehensive review of current trends and their impact on US businesses. *Int J Sci Res Arch*. 2024;11(1):965–74.
3. Zeff SA. Chronology of significant developments in the establishment of accounting principles in the United States, 1926-1972. *J Account Res*. 1972:217–27.
4. Dennis I. What is a conceptual framework for financial reporting? *Account Eur*. 2018;15(3):374–401.
5. Horngren C, Harrison W, Oliver S, Best P, Fraser D, Tan R. Financial accounting. Pearson Higher Education AU; 2012.
6. Koltz D. Financial accounting: a concepts-based introduction. Routledge; 2016.
7. Carlon S, Mladenovic-McAlpine R, Palm C, Kimmel PD, Weygandt JJ, Kieso DE. Financial accounting: Reporting, analysis and decision making. John Wiley & Sons; 2025.
8. Ahmed M. FINANCIAL ACCOUNTING: A COMPREHENSIVE GUIDE. *Integr J Res Arts Humanit*. 2021;1(1):90–8.
9. Sharma D, Sikarwar P, Ahmad A, Naik SS, Varat DD. The Role of Financial Management Theories in Shaping Investment Decisions in Securities Market. 2025.
10. Abdelhaq R, Rabaia DJ, Salem A, Jarar A. The evolution of accounting theories in digital era: Challenges and opportunities. In: *The Paradigm Shift from a Linear Economy to a Smart Circular Economy: The Role of Artificial Intelligence-Enabled Systems, Solutions and Legislations*. 2025. p. 1059–72.
11. Triani NV. Introduction to Financial Accounting. SSRN. 2023. Available from: <https://ssrn.com/abstract=4512267>
12. Biolcheva P. Trends in the development of risk management. *Trakia J Sci*. 2020;18(1):417–21.
13. Haidari M. A Conceptual Artificial Intelligence Application Framework in Performance Appraisal. In: *Promoting Inclusivity and Diversity Through Internet of Things in Organizational Settings*. IGI Global; 2022. p. 1–16.
14. Al-Karaawi D. Is Artificial Intelligence the New Source? The Role of Intelligence in Knowledge Marketing. *Int J Soc Sci Exceptional Res*. 2026;5(2):34–40. doi: 10.54660/IJSSER.2026.5.2.34-40
15. Božić V. THE ROLE OF ARTIFICIAL INTELLIGENCE IN RISK MANAGEMENT. *Assessment*. 2023;3:4.
16. Nagbøl PR, Müller O, Krancher O. Designing a risk assessment tool for artificial intelligence systems. In: *International Conference on Design Science Research in Information Systems and Technology*. Springer; 2021. p. 328–39.
17. Al-Karaawi D, Al-hadrawi B. Concentrated Marketing and Its Role in Mitigating Customer Fluctuations. 2025 Jul.
18. Solaimani R, Rashed F, Mohammed S, Elkelish WW. The impact of artificial intelligence on corporate control. *Corp Ownership Control*. 2020;17(3):171–8. doi: 10.22495/cocv17i3art13
19. Al-Khazali B. Identity Leadership in the Context of Organizational Sustainability: A Literature Review. *Int J Soc Sci Exceptional Res*. 2026;5:69–75. doi: 10.54660/IJSSER.2026.5.1.69-75
20. Cheng YL, *et al*. We are IntechOpen, the world's leading publisher of Open Access books Built by scientists, for scientists. *Intech*. 2016;11(tourism):13.
21. Al-hadrawi B, Al-Karaawi D. Niche Marketing and Customer Stability: A Contemporary Conceptual Framework. 2026.
22. Elmouden I, Lotfi B. SUPPLY CHAIN RISK MANAGEMENT PROCESS: LITERATURE REVIEW. *J Oper Manag Optim Decis Support*. 2022;2(2):24–32.
23. Sanz Martin L, Parra Dominguez J, Corchado JM, Zafra-Gómez E, Castillo-Ramos V, Zafra-Gómez JL. Recent evolution and growth of AI and advanced technologies in accounting and finance: systematic review and bibliometric analysis. *Span J Finance Account*. 2026;55(1):47–88.
24. Ali H, Zafar MB, Aysan AF. Generative AI in finance: Replicability, methodological contingencies, and future research directions. *Finance Res Lett*. 2025:108797.
25. Thanasas G, Kapiotis G, Halkiopoulos C. Transforming Digital Accounting: Big Data, IoT, and Industry 4.0 Technologies—A Comprehensive Survey. *J Risk Financial Manag*. 2026;19(1):92.
26. Schreier T, Gnos N, Tropmann-Frick M, Schultz M. Evaluation of Outlier Detection Methods for Anomaly Detection in Journal Entries: A Use Case Analysis. 2024.
27. Kapiotis G, Thanasas GL, Gorodyskiy M, Bereznyi O. Blockchain in the New Era of Accounting: A PRISMA-Guided Review on Trends and Future Prospects. *Public Policy Account*. 2025;(2(12)):3–12.
28. Mashiko S, Kawamata Y, Nakayama T, Sakurai T, Okada Y. Anomaly detection in double-entry bookkeeping data by federated learning system with non-model sharing approach. *Sci Rep*. 2025;15(1):42208.
29. Baiod W, Hussain MM. The impact and adoption of

- emerging technologies on accounting: perceptions of Canadian companies. *Int J Account Inf Manag.* 2024;32(4):557–92.
30. Peng Y, Ahmad SF, Ahmad AYB, Al Shaikh MS, Daoud MK, Alhamdi FMH. Riding the waves of artificial intelligence in advancing accounting and its implications for sustainable development goals. *Sustainability.* 2023;15(19):14165.
  31. Kindzeka KC. Impact of artificial intelligence on accounting, auditing and financial reporting. *Am J Comput Eng.* 2023;6(1):29–34.
  32. Huang X. Analysis of the impact of artificial intelligence on enterprise financial accounting work. *Trans Econ Bus Manag Res.* 2024;7:44–8.
  33. Abdo-Salloum AM, Chehade S. The Role of Artificial Intelligence in Transforming Accounting and Auditing Practices: A Systematic Review. *Sage Open.* 2026;16(1):21582440251403296.
  34. Usman AY, Hassan ST, Nda AJ, Yisau YA. A Review of the Impact of Artificial Intelligence on Traditional Accounting Practices and Financial Reporting. *Int J Sci Soc.* 2025;1(1):1–6.
  35. Kerr D, Smith KT, Smith LM, Xu T. A review of AI and its impact on management accounting and society. *J Risk Financial Manag.* 2025;18(6):340.
  36. Page MJ, McKenzie JE, Bossuyt PM, Boutron I, Hoffmann TC, Mulrow CD, *et al.* The PRISMA 2020 statement: an updated guideline for reporting systematic reviews. *BMJ.* 2021;372:n71.
  37. Estep C, Griffith EE, MacKenzie NL. How do financial executives respond to the use of artificial intelligence in financial reporting and auditing? *Rev Account Stud.* 2023. doi:10.1007/s11142-023-09771-y
  38. Yi Z, Cao X, Chen Z, Li S. Artificial intelligence in accounting and finance: Challenges and opportunities. *IEEE Access.* 2023;11:129100–23.
  39. Abdullah AAH, Almaqtari FA. The impact of artificial intelligence and Industry 4.0 on transforming accounting and auditing practices. *J Open Innov Technol Market Complex.* 2024;10(1):100218.
  40. Mwachikoka CF. Effects of artificial intelligence on financial reporting accuracy. *World J Adv Res Rev.* 2024;23(3):1751–67.
  41. Oweis KA. The role of artificial intelligence in developing accounting: Automating processes and enhancing financial reporting in Saudi Arabia. *Management.* 2025;29(1).
  42. Kundhadia D. Role of artificial intelligence in modern accounting practices. *Int J Inf Technol Manag.* 2025. doi:10.29070/bw04z498
  43. Li B. The impact and role analysis of artificial intelligence technology on the development of the accounting industry. *Int J Knowl Manag.* 2025;21(1):1–13.
  44. Anand P. Impact of Artificial Intelligence on Managerial Decision-Making and Financial Reporting. *Int J Glob Res Innov Technol.* 2025;3:230–6. doi:10.62823/IJGRIT/03.04.8461

### How to Cite This Article

Sadoon B. Financial accounting in the era of artificial intelligence: a literature review. *International Journal of Management and Organizational Research.* 2026;5(3):127–132. doi:10.54660/IJMOR.2026.5.3.127-132.

### Creative Commons (CC) License

This is an open access journal, and articles are distributed under the terms of the Creative Commons Attribution NonCommercial-ShareAlike 4.0 International (CC BY-NC-SA 4.0) License, which allows others to remix, tweak, and build upon the work non-commercially, as long as appropriate credit is given and the new creations are licensed under the identical terms.