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THE ROLE OF THE INTEGRATION OF FINANCIAL AND NON-FINANCIAL INFORMATION IN PREDICTING FINANCIAL FAILURE "AN APPLIED STUDY IN A SAMPLE OF BANKS LISTED IN THE IRAQI STOCK EXCHANGE"

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Abstract:

The objective of the research is to demonstrate the role of the integration of financial and non-financial information in predicting financial failure by banking units. The study examined a sample of 10 banks listed on Iraq's stock market for the period 2009 to 2013. The independent variable was measured through financial and non-financial information disclosed by banks in their annual financial reports in agreement with several studies while the dependent variant was measured through the Z-Sherrod-1987 model), in agreement with several studies. The statistical program (SPSS) was used to know and explain the direction of the relationship (association) and the effect (decline) between the study variables, and the study found that there was no moral effect of disclosure of financial information in predicting financial failure despite its importance, while there is a moral effect of integrating financial disclosure

Keywords: Financial Information, Non-Financial Information, Financial Failure Forecast.

INTRODUCTION

I. Contemporary trends in accounting disclosure

Efforts have been made in the last two decades to develop a traditional disclosure model that is limited to financial information prepared in accordance with generally accepted accounting principles and which is no longer suitable for the modern age of knowledge economy financial information, including by the American Institute of Chartered Accountants in 1990, as a special committee to determine the type of information to be disclosed in the financial statements, the Committee issued its report in 1994, later named a report. (Jenkins) The report emphasized the need to include non-financial performance measures in financial reports, (Jenkins Report, 1994), and called on FASB to improve business disclosure following the issuance of Jenkins' report and the issuance of a special report in 2001 entitled (Improving financial reporting) examined such non-financial information or as it calls it (non-GAAP) which is voluntarily disclosed in a number of sectors (Eccles, 2002:60) (Dipiazza), and in 2002 a committee was formed at the Institute of American Chartered Accountants named the Special Committee to Promote (Support) Special Committee to Enhance Business Reporting aims to improve the quality and transparency of information used in decision-making by disseminating financial and non-financial information about the company such as the company's strategy, risk policy, public vision and both good and bad news (Kigam, 2008:36).

1. The problem of the study:

Insufficient disclosure and transparency of published financial reports and lack of access to information to interested parties in the financial markets are behind the failure of many global banks The disclosure of financial information alone has become insufficient to reflect the events of the banking units, especially after the increased position of disclosure of non-financial information in accounting thinking and its conversion from looking at financial reports as a goal to a means of achieving several objectives. The problem of the study can therefore be formulated with the following questions:

- What is the importance of non-financial information for banks? To what extent can non-financial disclosures affect banking units' prediction of financial failure?
- Will the integration of financial disclosure with non-financial information predict the financial failure of the banking units listed in the Iraq Securities Market?

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2. Objective of the study:
This study aims to familiarize itself with financial and non-financial information and to demonstrate its complementarity in forecasting the financial failure of banking units listed on Iraq's stock market.

3. The importance of the study:
1. The research is an addition to the accounting thinking that it can provide an appropriate analysis of Iraq's environment in the field of non-financial disclosure and its impact on predicting the financial failure of Iraqi banks.
2. Improving the efficiency of the financial accounting function as a system that must match the variables of the accounting environment, especially the needs of stakeholders for non-financial disclosure content.

4. Study hypothesis:
The problem of the previous study is the following hypothesis:
1.The disclosure of financial information has a statistically significant impact on the forecast of financial failure by banking units included in the Iraqi securities market.
2. There is a statistically significant impact of the role of financial and non-financial information disclosure integration in predicting financial failure by banking units included in the Iraqi securities market.

5. Limits of study:
Spatial limits: spatial study limits were limited to a sample of banking units listed on Iraq's stock market.
Time limits: The study's time limits were limited to the financial period 2009-2013.

6. Study Method:
This study is based on two basic methods of scientific research: scientific publications and literature related to their subject of periodicals, scientific letters, books, articles and research from Arab and foreign websites; The deductive approach, through the collection of required data based on audited financial reports published by banking companies listed on Iraq's stock exchange.

7. Previous studies:
1- Study (Al-Wattar, 2008) entitled: The Role of Accounting Information in Predicting the Failure of Industrial Joint Stock Companies.
The objective of this study was to demonstrate the role of accounting information in predicting financial failure, and the study dealt with a sample of industrial companies listed on Iraq's stock market for the financial period (2004-2006) using the "1968Z - Altman" model, and the study found the importance of appropriate information for all decisions taken by many Parties, and for information to be relevant it must have predictability for the future, as well as the accuracy of the Altman model) In the application to industrial companies (94%) by using the most important financial ratios in the classification of companies to a successful and distressed and recommended that high quality information continue to be provided to clients in financial markets as it increases investors' confidence in the financial market, The study's area of benefit is the identification of financial failure, prediction models and the importance of accounting information.

2- Study (Hayat, 2015) titled: Using Sherrod model to predict financial failure
This study was aimed at demonstrating how the Sherrod (Z-) model was used to predict financial failure. The study dealt with 5 banking companies listed on Iraq's stock market for the financial period from (2009) to (2015), the study found Ze's varying value for banking companies (Gulf, Union, North, Baghdad) Because it offers category III loans, it must exercise caution and increase the allocation of doubtful debts. The study also found that the credit bank was its loan portfolio in category I and was free of risk. The study recommended that banking companies should adopt financial analysis models to see the results of their business in relation to their credit activity as it affects their sustainability and the study also recommended that banking companies enter into new financial options that could reduce the risks they face. The benefit area of this study is the identification and measurement of financial failure using the Sherrod model in banks listed on Iraq's stock market.

3- Study (Marilena: 2015 & Alina) entitled:
The significance of financial and non-financial information in insolvency risk detection.
This study aimed to demonstrate the significance of financial and non-financial information in disclosing bankruptcy risks the study examined a comparative analysis of the relevant financial and non-financial data that characterized the bankruptcy risks of 20 companies listed on Bucharest's main market during the period 2009-2013. In this research, the multiple differentiation analysis was applied and logistical decline analysis, synthetic neural network analysis, this choice of financial indicators and non-financial information used is inspired by models already in the literature, especially from models (Altman, Sabato & Wilson (2010) Al-Kassar & Soileau.2014), Robu & Mironiuc (2012), and the study

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found that the main observations of our pilot study, Similar to all three methods used, the extension of the repayment period for suppliers is the most important indicator of the risk of entering the inability to pay, Therefore, users of financial information, especially decision makers, have the powers to plan performance and fund the company approach ", could support their decisions on the current study, which distinguished reality with respect to the data conducted and through the proposed methods of analysis.

4- A study (Ghanaimi, 2016) entitled: The Role of Periodic Accounting Information in Predicting Financial Distress and Failure in the Global Financial Crisis - Field Study.
The study aimed to test the role of accounting information contained in periodic financial lists and reports in predicting financial faltering and failures in the light of multiple bankruptcies and liquidation cases, and covered a sample of (30) Faculty - Accounting specialization in Egyptian and Saudi universities The sample also included a group of directors at some of the Egyptian and Saudi shareholding companies listed on the stock market, The study found that periodic reports and financial statements could contribute effectively to the problem of stumbling over and failing if prepared in accordance with international accounting standards. The study recommended that companies and banks should commit to the preparation of periodic financial reports during the fiscal year together with annual reports to achieve greater confidence and credibility of accounting information, The area of usefulness of the study is knowledge of the relationship of periodic accounting information to predicting stumbling blocks and financial failures in terms of theory.

5- Study (Mentor, 2018): Using the Sherrod model to predict the financial failure of Iraq's private commercial banks
This study aimed to demonstrate the role of the model (Z - Sherrod) In predicting financial failure, the study addressed a sample of (11) Banking company listed on the Iraqi Stock Exchange for the financial period of (2013) to (2014), and the study found that all the research sample banking companies had fallen into the first three categories of the model, so the companies (Commercial, Sumer) in the first category and not prone to financial failure, companies (Ashur, Mosul) was in category II and the likelihood of financial failure was low, while companies were (Investment, Gulf, Mansour, Babylon, Kurdistan, North, Baghdad) in category III, which is a difficult and critical stage for banking companies and, if those companies' management does not take proper and appropriate measures, they are moving towards financial failure and bankruptcy, The study recommended that banking companies' management should clearly disclose important events that could illustrate fundamental facts that would help to detect early financial failures. The study also recommended the operationalization of the banks' administrations through the development of clear and important recruitment, training and selection policies for those with scientific and practical qualifications and experience. The benefit area of this study is the identification of financial failure and how it is measured by banking companies listed on Iraq's stock market through the Sherrod model.

6- A study (Noor and Baraka, 2019), entitled, The impact of financial and non-financial disclosures on the performance of Jordanian commercial banks listed on the Amman Stock Exchange.
The study aimed to determine the impact of factors determining the level of financial and non-financial disclosure of banking units listed on the Amman Stock Exchange, and the independent variable was measured based on the details of Article No. (22) Disclosure and transparency of corporate governance instructions through annual financial reports, and the researcher used the program (SPSS) to test statistical hypotheses. The study found weak transparency in optional and compulsory disclosure items. The study recommended increasing attention to financial and non-financial disclosure of banking units on the Amman Stock Exchange and raising awareness about the importance of harmonization and regulation in the financial and non-financial disclosure process and encouraging banking units to make non-financial disclosure.

7- Study (Wang, 2019) entitled:
Predicting private company failures in Italy using financial and non- financial information
Predicting the failure of private companies in Italy using financial and non-financial information
This study aimed to develop a logistical downturn model to explain the financial distress of private companies in Italy using financial and non-financial information. The study examined a sample of a group of private companies from 2009 to 2013, and the companies were classified into two categories: active and distressed, stalled if the company defaulted, or was subject to bankruptcy or liquidation proceedings. Many forecasters selected elements of financial distress, company age, type of industry, number of shareholders, number of affiliates, cash to total assets, fixed assets to total assets, total liabilities to total assets, working capital to

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total assets, the results indicate the increased predictability of the number of shareholders and the number of affiliates to accounting ratios and other variables. Second, the study also documents the relative impact of non-financial information. Out-of-sample prediction tests over a one-year time horizon indicate that the number of shareholders has a stronger total impact on private companies' failures In this study, private companies with more affiliates were found to be negatively linked to private companies' failures as well, suggesting that the benefits of the group outweigh the costs. Financial and non-financial factors found to influence private companies' failures can also be used as early warnings so that owner managers can take corrective or preventive action in a timely manner. The results of the study suggest that owner managers can reduce the likelihood of companies failing by having other shareholders and group structure, this study has many limitations. First, the data set used in the study from 2009 to 2013 and does not include the accounting and non-accounting information of Italian private companies from 2014 to the present, and secondly, companies experiencing default may not necessarily end up with more severe financial distress events such as insolvency, liquidation or bankruptcy proceedings.

Second: Conceptual framework for financial and non-financial information and prediction of financial failure

1- Concept of Integration

is the provision of financial and non-financial information that assists in decision-making and decision-making, through the process of analysing and reporting data and information on the results of such analysis to decision makers, and means integration, as accounting treatments for accounting events and phenomena in order to serve users of accounting information inside and outside the economic unit (Abdulmalik, 2003:83). It is also defined as the collection, operation, production and timely submission of all data and information on economic events both inside and outside the economic unit (Ibrahim, 2003:27).

2- Reasons for Need for Integration

Johnson & koplan's 1987 studies indicated that there are three main trends in the failure of traditional financial indicators of accounting systems as follows (Kigam, 2008:26):

Area of use: There is a failure to use flexible budgets in evaluating performance areas related to fixed costs as well as cost control.

2. Area of relevance: Failure to provide indicators that help measure productivity, evaluate quality control system and highlight opportunity cost.

Oversight area: failure to provide non-financial control indicators and actual reliance on current indicators focused on measuring short-term financial performance.

According to Abdul Malik, there are several reasons why financial and non-financial information needs to be integrated (Abdul Malik, 2003:81):

1. The traditional accounting information system based on historical information is unable to meet users' information needs.
2. Both management and external user feel the need for information that is not limited to the financial aspect only as a result of the continuous changes in the economic and competitive environment
3. The emergence of electronic commerce and the expansion of the use of the Internet in both the trade side and the marketing side of products require the provision of information not limited to the financial side.

3- Financial information

Financial information is defined as a product that has the ability to reduce the degree of uncertainty of the decision maker and to provide the appropriate action to be taken in a timely manner, usually measured by cash, and the casting of financial information as follows (Al-Jabouri, 2014:26):

Financial information for the previous period
Financial information for the current period
Financial information for the subsequent period

4- Non-financial information

The Financial Accounting Standards Board (FASB) defined non-financial information as estimates, other information and annexed notes not found in the main financial statements (financial position list, income list, cash flow list, equity list) (UPTON, 2001:5).

Sami also defined it as all non-financial information, whether quantitative, such as number of workers, market share, employment and interruption statistics, turnover hours, etc., or descriptive, such as administrative efficiency, competition level, marketing campaign, sales policies, workers' training activities, etc. (Sami, 2010:8)

Non-financial information is information on progress (such as the proportion of good units of production), production (such as the time taken to execute the order) or customer (such as customer satisfaction), which is not based on the outputs of financial accounting information systems but is appropriate to

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demonstrate the company's performance to achieve its objectives (Kigam, 2008:32).

5- Challenges faced by non-financial disclosure reports
When preparing financial and non-financial disclosure reports, companies face a number of challenges, including what the study (Maath,2020, 90) noted, including the following:
1. Conflict between the idea of providing interrelated information while concise and focused.
2. Difficulty in confirming integrated reports and the different nature of the data contained therein.
3. The company's ability to adapt to successive circumstances and events.
4. Disclosure of confidential and sensitive information.
5. Dealing with intangible assets.
6. There are no principles on which to prepare integrated reports.
7. Fear of loss and loss of competitive advantages in case of disclosure of confidential and sensitive information.

6- Benefits of financial and non-financial disclosure reports (Maath,2020:89-90)
1. Reducing information asymmetry: Expanding disclosure and increasing the amount of information available to all parties reduces information risk, reduces information asymmetry, increases the awareness of prospective investors, and expands the information user base.
2. Focus on transparency: The disclosure of non-financial information achieves transparency by continuing the objectives and vision of the enterprise and how it manages risks, and dealing with the impacts of its environmental, social and governance operations, which affects the company's success and value.
3. Creating financial value: The sustainability report contains data on the resources and materials used and the evaluation of the project operations enabling the management of the enterprise to save cost and generate revenue
4. Strengthening the reputation of the enterprise: disclosure of non-financial information is an important role in shaping the perception of the stakeholders which helps to protect and strengthen the reputation of the enterprise
5. Achieving continuous improvements: Non-financial disclosure stimulates work towards continuous improvement in the fields of outreach
6. Increased perception and motivation of workers: dissemination of information associated with disclosure of non-financial performance helps increase the misfortune of employees and employees of the establishment and reduce the turnover of workers, in addition to increasing the ability of the enterprise to attract high quality and experience
7. Improving compliance with procedures and legislation: Disclosure of non-financial information helps stakeholders realize the extent to which the enterprise is fulfilling its responsibility and adherence to the legislation, laws and regulations associated with its field of operation.

7- A set of other most important non-financial information items disclosed by the company and assisting stakeholders in making their decisions are: (Maath,2020:89-90)
A. "General information about the company, its objectives, the nature of its industry, the organizational structure, and the circumstances in which the company operates
B. Future non-financial information, information on growth opportunities and future market value, management forecasts of market price
C. Information on risks, opportunities and strategic objectives, non-financial information related to the company's relationship with industry competitors, information on future performance targets and changes in markets, competition and technology
D. Information on intellectual and human capital is one of the most important types of non-financial disclosure that is the disclosure of information related to business, human resources, operations, research and development, innovation, strategy, and technology.
E. Information on fiscal, monetary and government policies and macroeconomic indicators. Information on employee strategy and management philosophy, the background of board members, leadership perspectives about the company and a description of employee and management plans and incentives, the identity of key shareholders, the participation of workers and key events, as well as the shares owned by the department
G. Information on parties stuck with the facility such as information on customer satisfaction, internal growth of the company and innovation rates, the ability to attract talented individuals within the workforce, the perception of clients about the atmosphere of the product, and information about key suppliers

Concept of financial failure prediction:
The subject of financial failure is one of the most important topics for companies and related parties to pay attention to. as it has a negative impact on society in general and companies and parties concerned in particular; Although the main objective of companies is to achieve the goals for which continuity and

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profitability have been created, they may be at difficult stages in their economic life through which they are exposed to a downturn and recession, resulting in weak demand for their services, high costs and accumulated losses. financial failure ", leading to a departure from competition, and for the purpose of avoiding what financial failure can lead to, companies must predict it before it occurs using their available and applicable methods.

He indicates (Al-Watar, 2008, 56) that accounting perspective forecasting depends on the predictability accounting information that accounting can provide, which is a qualitative characteristic of accounting information through extrapolating past events to predict the future.

Financial forecasting of prediction: is defined as the development of future results and estimates prepared based on scientific, statistical and mathematical methods using financial data for a previous financial period in order to access future information that helps to address events and phenomena that the company can face (Juma and Abdul, 2016:27).

The financial failure can be defined as the company's inability to pay its outstanding obligations in a timely manner due to a lack of working capital, i.e. cash flows do not meet accrued obligations (Zetinoglo & Akram, 2013: 107-108).

(Abdulkareem, 2015:6) The financial failure was defined as the position in which the company must close its business due to the inability to continue its business successfully.

9- The importance of predicting financial failure:

Predicting financial failure is one of the most important issues in the field of financial management, as attention has begun to it since Altman developed its model in a year. (1968) to predict corporate failure, and its importance has increased recently and in the present time as a result of recent financial crises that have led companies to bankruptcy, liquidation or merger with other major companies for survival and sustainability. (Dugan & Zavgren) indicates that no financial decision can be taken without a prediction process (Farouk, 2018:8) Thus, companies are obliged to use methods that help them predict financial failure before it occurs early in order to overcome the problems that it can cause to all parties, whether internal or external, that have a direct or indirect relationship with the company. Therefore, predicting financial failure is of great importance if expected in a timely manner as follows:

1. Company Management: Company Management's desire to confide confidence in its financial lists requiring audits of the highest possible quality (Qadir, 2016:12), in order to identify the symptoms of failure and deal with its causes to take the right and appropriate action in order to avoid the exposure of the company to bankruptcy and liquidation.
2. Investors: Investors are interested in forecasting in order to help them make their investment decisions, differentiate between alternatives available to them and choose the most suitable alternative with higher return and lower risk.
3. Lenders: In order to assess the success of the companies they lend and assure the safety of their refund granted or to be awarded by them to the companies in the future.
4. Banks: Banks are interested in predicting financial failure because banking activity is the main financier of companies, in order to stop non-performing loans and know the profits generated by credit activity.
5. Auditors: The importance of auditors in financial failure prediction models comes from the timeliness of assessing whether or not the company's continuity is imposed and used in the preparation of financial statements.
6. Governmental entities: Government entities are interested in the phenomenon of predicting financial failure in order to avoid crises occurring in the public and private sector (Al Khayyat, 2014:15).

10- Types of financial failure:

The failure that companies can experience is the following types:

1. Economic failure: This type of failure occurs when the rate of return on invested capital is significantly and consistently lower than the prevailing rates on similar investments and includes inadequate income to cover costs, and the average cost of capital is higher than the average return on invested capital and this type of failure does not result in the company declaring bankruptcy, that is, the company could be economically unsuccessful and yet pay its obligations on time (Kleiert, 2014:9)
2. Administrative failure: This type of failure occurs when the company's management activity is not efficient and fails to assess what may happen in the future, resulting in negative business results that cause its activity and profitability to decrease, inability to adapt to the external environment, weakness of alternative plans and thus its inability to cope with unforeseen events (Amari, 2015:46).
3. Legal failure: This type of failure produces two looks, the first technical hardship "which is the inability of the company to pay its debt and interest obligations on the maturity date despite the increase in the value of its assets on its liabilities, the second being real hardship"

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s inability to pay its outstanding obligations while the value of its assets falls short of its liabilities, in which case the company cannot face or overcome the failure leading it to acknowledge the legal failure leading to legal action to declare bankruptcy and liquidation (Jebel Wahr, 2009:306).

Applied Study
The research in this section aims to conduct the applied study by analysing the content of the published financial reports of banks listed on the Iraqi Stock Exchange for the period 2009-2013 to test the validity of the study hypotheses.
Measuring study variables
The study included two variables:
1- Independent variable: Integration of financial and non-financial information. The researcher prepared an index for disclosure of financial and non-financial information to banks listed on the Iraqi securities market. To achieve the disclosure index, the researcher used a two-way scale as follows:

- Grants grade (1) if the item is disclosed in the annual financial report.
- Grants grade (0) if the item is not disclosed in the annual financial report.

And then calculate the following:

1- Disclosure items ratio = number of items disclosed/total disclosure items.
2- Ratio of undisclosed items = number of undisclosed items/total disclosure items.
3- Average disclosure ratio = ratio of disclosure items/number of years of study.

Affiliate Variable: Predicting Financial Failure (Z - Sherrod - 1987)

1. Sherrod Model (Z - Sherrod - 1987)

This model is one of the most important models built and has two main objectives:

1. Credit risk assessment: It is used by banking units when granting loans to companies to assess their credit risk. Loans (financial failure) are divided into five main categories depending on the degree of risk to which they are exposed. The following table (1) shows this:

Table 1: Split the Units' Financial Failure According to Sherrod - Z Model

Category	Risk Degree	Z comma value
1	Excellent Risk-Free loans	25 ≤ Z
2	Low-Risk loans	20 ≤Z≤ 25
3	Medium-Risk loans	5 ≤Z≤ 20
4	High-Risk loans	5 ‗ ≤Z≤ 5
5	Very High-Risk loans	5 ‗ ≤ Z

2. Financial failure: to ensure the sustainability of economic units in their economic life and to determine the units' ability to carry out their future activities. The Sherrod model consists of six financial ratios as shown in table (2) below:

Table 2: Financial Ratios of Sherrod – Z Model

No	Variable	Percentage	Indicator type	Relative Weight
1	X1	Net working capital/total assets	Liquidity	17
2	X2	Assets for traded/total assets	Liquidity	9
3	X3	Total Equity/Total Assets	Financial lift	3.5
4	X4	Net profit before taxes/total assets	Profitability	20
5	X5	Total assets/gross liabilities	Financial lift	1.2
6	X6	Total equity/fixed assets	Financial lift	0.1

The higher the value (Z), this indicates the quality of the loan or the strength of the units' financial position and has a very good chance of sustaining, hence the lower risk, while in the case of a devaluation (Z), this indicates the difficulties for the units to continue their activity, and thus the higher the risk (Arkan, 2015:241). Variables (X1, X2) represent liquidity ratios that measure units' ability to meet short-term liabilities on their due date using (Current assets) of liquid and semi-

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liquid assets, where the higher the proportion of liquid assets and net working capital the stronger the units' financial position and vice versa, while the variables represent (X3, X5, X6), a financial lift index, is one of the most important control tools, helping to assess the company's funding structure, while the variable (X4) is a profitability index, showing the unit's financial position and its ability to stay in the market (Hamdani and Kattan, 2013:466).

Table 3 shows the financial information as follows:

Table 3: Financial information

No	Disclosure Items
1	Operating profits
2	Net Profit
3	Total Assets
4	Net operating cash flows
5	Share Price
6	Earnings per share
7	Return on property rights

Table 4 shows the measurement of the independent study variables of financial information and the financial failure forecast variable using the (Z-Sherrod-1987) model and the relationship between them disclosed by the banks listed in the Iraq Stock Exchange:

Table 4: Relationship between financial disclosure and financial failure forecasting

No	Banks	Average financial disclosure ratio	Average financial failure forecast
1	Commercial	100%	27.597
2	Credit	100%	25.588
3	Al-Mansour	100%	24.756
4	Iraqi Islamic	100%	21.501
5	Al-Ahli Al-Iraqi	100%	20.804
6	Mosul	100%	18.775
7	North	100%	16.942
8	United Nations	100%	15.917
9	Babylon	100%	14.594
10	Middle East	100%	13.224

Table 5 shows the measurement of the average non-financial disclosure ratio and its relationship to the forecast of financial failure.

Table 5: Relationship between non-financial disclosure and financial failure forecasting

No	**Banks**	**Average non-financial disclosure ratio**	**Average financial failure forecast**
1	Commercial	0.69	27.597
2	Credit	0.64	25.588
3	Al-Mansour	0.60	24.756
4	Iraqi Islamic	0.58	21.501
5	Al-Ahli Al-Iraqi	0.57	20.804
6	Mosul	0.55	18.775
7	North	0.53	16.942
8	United Nations	0.49	15.917
9	Babylon	0.46	14.594
10	Middle East	0.33	13.224

The table above shows:
The average financial failure forecast is influenced by the average disclosure of non-financial information The lower the average disclosure of non-financial information to banking units, the higher the financial failure prediction index, While the higher the NFI disclosure index the lower the average fiscal failure prediction index.
Table 6 below shows the results of the statistical analysis (SPSS):

Table 6: Statistical Analysis Results

R	F	Sig.	R Square	T	Sig.	Unstandardized Coefficients (B)
.930[a]	50.983	.000[b]	.864	7.140	.000	45.253

The table above shows:
1. The value (R) was (0.93) at an indicative level (0.000) and is less than (1%) i.e. a moral correlation between non-financial information and financial failure forecasting.
2. The value (F) is equal to (50.983) and its level of indication (0.000), and this value is less than (0.01), which means that the overall regression model is statistically D.
3. The determination factor (R2) is equal to (0.864) and refers to the percentage measuring the independent variable's ability to explain changes in the dependent variable, where the independent variable (financial and non-financial information) can explain changes in the dependent variable (financial failure prediction) by (0.864).
4. The regression factor indicates an independent variable (financial and non-financial information), meaning that the relationship is expulsive, i.e., when the financial and non-financial disclosure index rises, the risk of banks being exposed to financial failure will be reduced by increasing the value of the Z- Sherrod model and vice versa.
5. The indication level of the T-test of the independent variable with the dependent variable is equal to (7.140) and its indicative level (0.000). This ratio is below the indicative level (0.01), which proves that the decline is moral.
6. The value of the regression factor is equal to (45.253), meaning that a change in the independent variable (financial and non-financial information) by one-unit results in a change in the dependent variable level (financial failure prediction) by 45.253 units.
7. Acceptance of the second hypothesis: There is a statistically significant impact of the role of integrating financial and non-financial disclosure in predicting financial failure by banking units included in the Iraqi securities market.

RESULTS

1. The lack of impact of financial disclosure on the prediction of financial failure by banking units using the "Z-Sherrod" model.
2. The impact of disclosure of non-financial information on the prediction of financial failure using the Z- Sherrod model compared to disclosure of financial information, where the higher the index of disclosure of non-financial information the lower the index of prediction of financial failure of banks, and vice versa.
3. The lack of impact of disclosure of financial information on the prediction of financial failure by banking units does not mean the absence of financial disclosure indicators. Rather, it is considered a fundamental essence of disclosure. Disclosure of financial information alone is insufficient to reflect the events of the banking units, especially after the increased status of disclosure of non-financial information in accounting thinking.

RECOMMENDATIONS

1. Disclosure of financial and other information whose existence is required to make substantial decisions through annual financial reports or the company's website.
2. Further research that could provide an explanation of the importance of non-financial information in predicting the financial failure of Iraqi banking units.
3. Pay attention to reports of disclosure of financial and non-financial information and indicate the positive impact of such disclosure on the activity of Iraqi banking units, which is due to their continuity.
4. The possibility of applying an Iraqi accounting standard requiring banking and non-banking units to

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disclose financial and non-financial information that has material implications for investors' and lenders' decisions.

5. Further future research:

- The impact of the integration of financial and non-financial information on the prediction of financial failure in non-bank units.

- The impact of the integration of financial and non-financial information on the prediction of financial failure using other models to predict financial failure.

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