World Economics & Finance Bulletin (WEFB)
Available Online at: https://www.scholarexpress.net
Vol. 34, May, 2024
ISSN: 2749-3628,

THE IMPACT OF APPLYING INTERNATIONAL ACCOUNTING STANDARDS IN JOINT-STOCK COMPANIES LISTED ON THE IRAQI STOCK EXCHANGE

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Article history:

Received: 26th March 2024
Accepted: 14th April 2024

Abstract:

This article aims to demonstrate the need for international accounting standards that are generally accepted by practitioners of the accounting and oversight profession in all countries of the world, as a result of many changes that take place in accounting treatments in joint-stock companies operating in international financial and economic markets, including the globalization of the world economy and the growth and liberalization of trade. Globalization, direct international investment, and the development of global financial markets, in addition to the changes that occurred in the world's monetary systems, the growing power of multinational companies, and the merger of companies and partnerships between them.

This literary article came to show the stages of establishing and developing the International Accounting Standards (IAS), their concept and requirements, and the Financial Reporting Standards (IFRS), which were issued by the International Accounting Standards Board (IASB). The article contained five axes. The first axis dealt with accounting measurement processes and their understanding. Its definition and its relationship to accounting values that are personally estimable. The second axis was about the establishment and formation of international accounting standards by professional councils and their development, which is considered a guiding rule for the work of accountants. As for the third axis and the fourth axis, it touched on two important international accounting standards, namely Accounting Standard No. (1). Preparing and presenting financial statements, and International Accounting Standard No. (7) Cash Flow Statement, and in the fifth axis, some of the most important benefits and obstacles that accompany the application of international accounting standards and financial reporting standards related to the quality of accounting disclosure were identified, which always leads to improving investment decisions in joint-stock companies.

Keywords: International accounting standards, financial reporting standards, accounting measurement, financial statements, quality of accounting disclosure, joint-stock companies, global financial markets

THE INTRODUCTION:

The last years of the last century witnessed great economic development, which led to an increase in economic institutions and an increase in the relative importance of the financial information published by those institutions and communicating it to their beneficiaries and benefiting from that information, whether through investment, financing, or capital spending, and for this information to meet the needs of its users. It must meet the requirements of credibility, honest presentation, and comparability to evaluate the performance of these institutions. The idea of the emergence and preparation of international accounting standards began in the early 1900 in France (IAS), which is a set of standards through which periodic accounting treatment can be done in terms of accounting orientation and calculating values for the elements included in the financial reports issued by economic institutions at the end of each accounting period or financial period. Therefore, international accounting standards reduce the differences that occur in the presentation of financial statements issued by economic institutions spread around the world and also reduce the definitions of the elements of those financial statements. By seeking to unify accounting regulations, standards, methods and procedures related to the preparation and presentation of these financial statements for the purpose of providing useful and appropriate information that serves external and internal users in making the correct decisions regarding

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investment, financing or spending, such as Accounting Standard No. (1) related to the presentation of financial statements and Accounting Standard No. (2). Related to inventory and the rest of the (41) international accounting standards issued by the International Accounting Standards Committee (IASC) (Najm, 2018: 3).

This literary article aims to explain some international accounting standards issued by the International Accounting Standards Committee (IASC) and the International Accounting Standards Board (IASB) in terms of the objective and scope of each accounting standard and the extent of its contribution to the development of accounting performance with the development taking place in the global economy. The article consists of the following axes:

THE FIRST AXIS: THE CONCEPT AND DEFINITION OF THE ACCOUNTING MEASUREMENT METHOD:

Accounting measurement is a fundamental rule in the evolution of various fields of accounting science, and accounting measurement is a process of comparing a particular characteristic (Monetary multiplicity) With an economic event consisting of a particular element in a particular area is an economic enterprise, it is compared with another specific element or item is (Real Number) In another area is (Real Number System) using the Financial Wealth Measure (Cash Unit) and by known calculation method (Matar and Al-Suyuti, 2018: 131). Accounting measurement is also known as a quantitative determination of the accounting values that can be determined definitively or accounting values that can be personally estimated using financial units of measurement or other units of measurement such as units of length, units of volume, or units of weight related to the activity of the economic institution and determining its impact on the operations of that institution and summarizing it. In other words, the process accounting measurement is a mixture of quantitative determination or personal estimation to determine the effects on financial operations and economic events that result in financial rights for the economic institution, financial obligations, or a change in their value for that institution, or those events are represented by capital expenditures, revenue expenditures, capital gains, or regular revenues for that institution. Economic institutions daily or periodically at the end of each specific time period and then tabulate, classify and summarize these economic events into homogeneous groups according to the goal of the accounting measurement process (Al-Naghi, 2017: 110).

The American Association of Accountants (AAA) defined the accounting measurement process as being represented by relating the numbers to the past, current and future events of the economic unit, based on past and present observations and in accordance with specific rules (AAA, 1971: 47). Hendrikson considers that the accounting measurement process is to determine the numerical values of the economic objects and events of any economic institution in such a way that they are appropriate in the form of a single group such as the inventory group or fixed asset group (Hendriksen, 2010:130).

It is clear from the foregoing that the concept of accounting measurement is a process of matching or determining the monetary values of the elements appearing on the body of the financial lists to determine the results of the enterprise's economic business in the form of disclosure of ongoing operations as well as to know its financial position as a balance sheet. The main objective of the accounting measurement process is to obtain interest or benefit through the procedures of matching real numbers and monetary values and to communicate this information to the beneficiaries of these financial statements to rationalize their decisions and choose from several alternatives available. One of the basic assumptions on which the accounting measurement process depends is the assumption of continuity, which means that the economic institution is continuing its normal activity and there is no intention to liquidate it in the short term, and that its productive life is not limited to a specific period of time in order to be able to measure the results of its work and determine its financial position, such as estimating the productive life of its fixed assets. Expendable (Lutfi, 2015: 175).

THE SECOND AXIS: THE STAGE OF ESTABLISHING INTERNATIONAL ACCOUNTING STANDARDS:

The Accounting Principles Board (APB) issued 51 accounting research bulletins dealing with accounting problems during the period between 1939 and 1959. Although these bulletins worked to reduce areas of disagreement in accounting practices, the APB failed to provide an integrated and specific structure of principles. Generally Accepted Accounting (GAAP). As a result, the American Association of Certified Public Accountants (AICPA) in 1959 established an Accounting Principles Board, and its objectives were: (Keso Donald, 2020: 33).

1. Establishing written accounting principles that are generally accepted and generally accepted by practitioners of the accounting and auditing profession.
2. Determine the practices of sound accounting methods in accounting operations and economic events that occur in economic institutions.
3. Reducing the areas of difference between various accounting practices and the lack of consistency in those accounting practices to some extent.

In 1971, the American Association of Chartered Accountants (AICPA) appointed a committee to develop financial accounting principles and a Financial Accounting Standards Board (FASB), which became the official body responsible for issuing international accounting standards (IAS), formulating the conceptual framework for accounting theory, and

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issuing international accounting standards defining the objectives and concepts of those accounting standards. International Accounting Standards (IAS) are the main tool for accounting regulation and a basic rule for rationalizing the work of accountants in various economic institutions and a work guide for them on how to prepare and present the financial statements published by those institutions. The accounting standard is known as a written document issued by a body, council or regulatory committee, whether governmental or Professional related to a specific element of the financial statements, such as assets, inventory, debtors, or a specific type of economic event, such as the purchase on account, the process of depreciation fixed assets, or the pricing of materials issued from warehouses. The accounting standard always includes the goal of the standard and the scope of its application. The accounting standard also includes The date of its commencement or implementation and all accounting disclosures related to that standard and the clarifications and notes attached to it (Souad, 2010: 27).

In 2001, the conceptual framework for preparing and presenting financial statements, previously prepared by the International Accounting Standards Committee (IASC), was amended. The conceptual framework and the purpose of the framework were restructured as follows:

1. Assisting the management of the International Accounting Standards Board (IASB) in developing more stable and reliable international accounting standards.
2. Assisting the management of the International Accounting Standards Board (IASB) in achieving harmony between accounting systems and standards and the means and procedures related to publishing and presenting financial statements.
3. Assisting professional bodies in establishing and developing local accounting standards that are compatible with the economic environment of those institutions.
4. Assisting the management of economic institutions in preparing financial statements according to international accounting standards.
5. Assisting Certified Public Accountant an impartial technical opinion on the fairness and honesty of the financial statements and their conformity with international accounting standards.
6. Helping users of financial statements interpret and understand the financial information contained in those statements prepared according to accounting standards and principles (Walid, 2018: 16).

To achieve these goals, the following steps were followed before the Financial Accounting Standards Board (FASB) issued any financial accounting standard: (Kiso, 2018: 43).

1. A specific area is identified and included on the agenda of the International Accounting Standards Board (IASB).
2. A working group of technical experts in the field of financial accounting is formed from different economic sectors to identify problems and associated alternatives.
3. The professional body of the Financial Accounting Standards Board (FASB) always conducts the necessary research and analysis for those accounting standards.
4. The Financial Accounting Standards Board (FASB) prepares notes for discussion and development of international accounting standards and issues them in general.
5. The Financial Accounting Standards Board (FASB) will hold a public hearing 60 days after issuing any discussion note.
6. The Financial Accounting Standards Board (FASB) shall examine any memorandum in principle with all comments received and shall vote on the issuance of a prospectus with an accounting standard.

The Financial Accounting Standards Board (FASB) bulletins on generally accepted accounting principles (GAAP) are considered binding on all practitioners of the accounting and auditing profession and remain in effect until new bulletins are issued to amend or cancel them. Saud believes that international accounting standards (IAS) work to compare globally and appreciate disclosure, transparency, accountability and efficiency in global markets, which allows investors and other users in those financial markets to make rational and effective economic decisions about investment and risk opportunities and improve the reduction of capital spending. It also works. International accounting standards help reduce the costs of preparing financial reports, especially in multinational enterprises, holding companies, and subsidiaries (Guide, 2021: 9).

The third axis: International Accounting Standard No. (1) Presentation of Financial Statements.

The benefit of applying International Accounting Standard No. (1):

The financial statements issued by the economic institutions are the main instrument for financial reporting and accounting disclosures of the performance of those institutions during a certain period of time to reflect the results of the business and the financial position at the end of the financial year, their cash flows, whether internal or external, as well as provide information on changes in shareholders' rights. The financial statements represent the main outputs of any accounting system, as they are a link between the economic institution and all users of these financial lists from

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Available Online at: https://www.scholarexpress.net
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ISSN: 2749-3628,

investors, suppliers, creditors, processors, commercial banks, Tamin companies, tax authorities, regulators and others (Salah, 2017:32).

Economic institutions prepare financial lists after an assessment of their ability to remain as a continuous economic unit in their activity unless there is an intention of the enterprise's management to liquidate or suspend its activity and business or the department has no real alternative other than to do so. economic enterprise must disclose uncertainties, Here, the management of the enterprise must prepare the financial statements based on the liquidation of the enterprise in accordance with the requirements of the financial report standard based on liquidation (Principles, evidentiary requirements, measurement, presentation and disclosure) (IFRS, 2022:16).

Objectives of the financial statements and their main components:

The objectives of the financial statements, according to the conceptual framework of the International Accounting Standards Committee (IASC), include communicating specific information to a group of beneficiaries of that necessary information to make their correct decisions to continue investing according to their assessment of the institution's performance and cash flows. Financial statements are characterized by providing reliable and appropriate information related to financial resources, pledges to pay their obligations, and determining profit distributions at the end of the financial period (Muhammad, 2020: 36).

Financial statements always consist of main statements, which are:

1. Statement of financial position (balance sheet). This list includes fixed and current assets, liabilities, property rights, and settlement accounts, which are considered financial rights of the economic institution.
2. List or total income statement (trading account and profit and loss account). This list presents all ordinary expenses, unusual expenses, and all ordinary and unusual revenues for accounting profit before tax expenses.
3. Statement of changes in Owner equity. This statement includes all changes that occurred in the institution's capital from the beginning of the current fiscal period to the end of the fiscal period after adding the net comprehensive income after tax and subtracting the personal withdrawals account.
4. statement of cash flows. This list shows the movement of cash inward and outward from the economic enterprise and by operational, financing and investment activities during the current financial period.
5. Observations, clarifications and reservations. These are statements attached to the financial statements prepared at the end of the financial period containing a summary of each element of the financial statements and their movements during the current period of time and the accounting policies used to present that element and other explanatory information on methods used such as the method of calculation of Depreciation of fixed assets , the method of calculation of inventory issuance and other accounting policies and disclosures required by IFRS.
6. Comparative information between the current fiscal year and the previous fiscal year for the same economic institution when preparing and presenting financial statements (Hmeidat, 2019: 40).

International Accounting Standard No. (1) (IAS1) is considered one of the most important standards that dealt with financial statements, in addition to International Accounting Standard No. (7) (IAS 7) Cash Flow Statement. The accounting standard began in 2004 and its aim is to explain how to publish financial statements. On the basis of assuming continuity and on the accrual basis in recording financial operations and recording them in the records of economic institutions, as International Accounting Standard No. (1) (IAS1) stipulates that economic events are recognized when they occur and become due and not when the payment process or the cash receipt process occurs. This accounting standard is applied to various economic institutions, including joint stock companies, commercial banks and insurance companies, and encourages the accounting standard to disclose the country in which that institution operates, its legal form, the address of the Board of Directors' office and its economic activity and that it was registered at the Registrar of Companies (Salah, 2017:186).

Requirements of International Accounting Standard No. (1):

Below is a summary of the general requirements related to disclosure in the financial statements, as stated in International Accounting Standard No. (1) (IAS1) (Najm, 2018: 48):

1. The accrual basis for recording financial transactions shall be followed with the exception of information on the cash flow list (IAS 7).
2. Follow the assumption of continuity in recording financial transactions in the institution's records and that it is continuing its normal activities and there is no intention to liquidate the institution.
3. Following the assumption of consistency in recognizing financial operations, and when any accounting basis changes during the time period on an element of the financial statements, the institution's management must disclose that change and the reasons that led to its change.
4. Each material element shall be presented separately in the financial statements. No set-off between assets and liabilities may be made in the financial position statement, No set-off between income and expenditure may be made in the global income statement unless the set-off is permitted under an accounting standard.

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5. The economic institution must disclose comparative information with previous years' figures.
6. The name of the economic institution that produced the annual financial statements, its main headquarters, its legal form, the place of its establishment, its regular economic activity, whether the financial statements were prepared individually or in the form of a group of projects, the time period in which the financial operations occurred, and the monetary unit used in those operations must be determined.

It is considered International Accounting Standard No. (1) IAS1) issued by the International Accounting Standards Board (IASB), which is applied to economic institutions that publish their financial statements in accordance with the International Accounting Standards (IAS) for preparing financial reports for the first time. This standard aims to present the means and procedures The rules, principles and requirements that must be followed by the institution when it applies international financial reporting standards for the first time as a basis for preparing its financial statements, such as treating assets that conflict with the requirements of other international accounting standards, as well as accounting treatments for liabilities and reclassifying some financial items (Ramzi, 2012: 16).

It is clear from the foregoing that many companies and professional organizations seek to apply (IFRS) in order to achieve many advantages and benefits, including attracting external investors and conducting direct interviews without any amendments to the financial lists by users due to the standardization of accounting policies, as well as imposing on many States economic institutions to apply international accounting standards. (in response to legal requirements) to standardize the foundations, rules and procedures on which accounting processes are based and to reflect the financial statements in a similar and standardized manner and to be comparable with the financial lists of other institutions operating in the same economic sector of those economic institutions.

Fourth axis: International Accounting Standard No. (7) Statement of Cash Flows.

The statement of cash flows is considered one of the main financial statements prepared by economic institutions, in addition to the statement of financial position, the statement of comprehensive income, and the statement of changes in ownership rights. This list or statement includes all the cash receipts and cash payments of the institution as a result of carrying out its financial operations during a specific period of time. The international accounting standard divides (IAS7) sources this cash from operational activities, investment activities, and financing activities (Juma, 2019: 70).

The benefit of preparing a statement of cash flows.

When this list is prepared with the rest of the financial statements, it communicates useful information about cash liquidity and its availability to all investors and shareholders and helps them evaluate the changes that may occur to the institution's assets and state its financial position at the end of a certain period of time. It also helps beneficiaries to be able to make comparisons between The cash flows of the institution in question with the rest of the institutions that operate in the same economic sector (Abdel Halim, 2021: 43).

The objective of International Accounting Standard No. (7) is the cash flow statement.

This standard aims to commit economic institutions to providing useful information about actual changes in cash and cash equivalents by preparing a statement of cash flows and classifying these flows during the current financial period into flows from operating activities, investment activities, and financing activities. The scope of application of this accounting standard includes the following paragraphs: (Guide, 2022: 74).

1. The economic institution must prepare a statement of cash flows directly or indirectly in accordance with the requirements of the International Accounting Standard (IAS7) and display this list as a complementary part of its other financial statements for each specific time period.
2. This standard helps users of financial statements identify how an economic institution uses cash in its operational functions, pays its obligations, and provides a financial return to investors and equity holders, excluding future cash flows.

Classification of cash flows by International Accounting Standard (IAS7).

The statement of cash flows classifies cash receipts and cash payments during a certain period of time into operating activities, investment activities, and financing activities. According to these activities, this classification provides appropriate and useful information that enables users to estimate the impact of these activities on the normal operations and on the financial position of the institution and to determine the sources and use of cash liquidity, as follows: (Dahhan, 2020: 24).

Operating activities: They are represented by the cash impact of the elements of the statement of comprehensive income in addition to the elements of the statement of financial position. Examples of cash flows from operational operations are as follows:

1. Cash receipts from the sale of goods and commodity supplies and the provision of services to other parties.
2. Cash receipts for commissions, fees and other income related to current activity.
3. Suppliers' cash payments for the purchase of merchandise goods and supplies and access to services.
4. Cash payments to employees and workers such as salaries, wages, bonuses, incentives, etc.

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5. 5. Cash payments for taxes such as income tax.
6. Buy and sell securities such as stocks and bonds and obtain loans that you hold for trading purposes.
7. Cash flows resulting from advances and loans.

Investment activities: The separate disclosure of cash flows resulting from an enterprise's investment activities is important, as these cash flows reflect the extent to which they are spent on resources that will be used to produce future income, gain and cash flows. Examples of cash flows related to investment activities are as follows:

1. Cash payments for property, factories, machinery, equipment and intangible assets and any long-term fixed assets.
2. Cash receipts from the sale of such property, factories, machinery, equipment and intangible assets and any long-term assets.
3. Cash payments for ownership of equity instruments and any share or ratio in other joint ventures.
4. Cash receipts from the sale of equity instruments or any share or proportion in other joint ventures.
5. Cash receipts resulting from the provision of loans and advances to other parties, whether persons or economic institutions.
6. Cash payments to obtain future contracts or deferred contracts for the purpose of dealing or rent.

Financing activities: These activities include cash changes in the elements of ownership rights and liabilities, and the difference between incoming cash flows (sources) and outgoing cash flows (uses) represents net cash flows from financing activities. Examples of cash flows resulting from financing activities are as follows:

1. Any amounts received as an increase in the capital of the economic institution or a reduction in capital, such as issuing stocks and bonds.
2. Repayment of loan amounts received from others in the form of cash.
3. Dividends paid to equity holders, shareholders and investors.
4. Buying and selling treasury stocks.
5. Cash receipts from the issuance of bonds and notes payable.
6. Cash receipts by the lessee under a finance lease contract.

We notice from the above an increase in the number of users of reports and financial statements and those who benefit from those lists, with the difference in the basis of preparing and publishing financial statements between different countries of the world, which has led to an increased need to use and apply international accounting standards for all economic units operating in the financial markets.

The International Accounting Standards Board (IASB) and the Financial Reporting and Reporting Standards (IFRS) have therefore contributed to an increase in the number of States that have followed the obligation to apply those international standards to all companies registered in financial markets when preparing and presenting financial statements (Houge et all., 2014, p87).

By exploiting the flexibility found in international accounting standards, many changes occurred in the accounting treatment (creative accounting), and thus this affected the value of the accounting information included in those financial statements as a result of the incorrect use by the company's management of the approved accounting policies and the lack of consistency over a specific accounting principle over a period of time. time period to another period of time (Zhu, 2016, P37).

Parties using financial statements in the financial markets always rely on the truthfulness, fairness and reliability of the financial information included in those lists, in how they make their rational investment decisions. Company managements rely on international accounting standards when presenting and preparing their financial statements and benefit from the flexibility found in those international standards to change their financial statements. The accounting policies followed and the transition from one accounting principle to another (inconsistency) in the accounting treatments for a specific element of the financial statements, which leads to manipulation of the recorded numbers with the intention of achieving specific goals that serve the company's management (Faten, 2022: 30). The development of countries' economies depends on good accounting regulation and the performance of auditing and control operations with high efficiency, as this contributes to making comparisons by users of the accounting information included in the financial statements with the lists of other companies (Aisagga & Sawan, 2013: 36).

Therefore, the International Accounting Standards Board (IASB) was interested in formulating high-quality and generally accepted international standards, which are the Financial Reporting and Financial Reporting Standards (IFRS). The use of these accounting standards has become an international requirement from many countries of the world to meet the needs of all external investors, owners of property rights, shareholders, and local bodies such as taxes. Insurance companies and commercial banks for the sake of comparison, reducing costs, increasing benefits, improving the efficiency of financial markets, facilitating foreign trade, and improving competition in global markets (Osama, 2017: 32).

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The fifth axis: Benefits and obstacles of applying international accounting standards (financial reporting standards).

Many studies have indicated the benefits of applying international accounting standards issued by the Financial Accounting Standards Board (FASB), which always lead to many benefits of using these standards, whether at the local level, the global level, or the level of countries' national production. The most important benefits of applying international accounting standards are as follows: (Choi et al., 2013: 68.

1. Increased quality of accounting disclosure improves financial information contained in financial statements published by economic units in global financial markets and to standardize the accounting principles, concepts and assumptions of such information, benchmarking standards, methods and procedures of accounting processing and as required by those standards, This rationalizes investors' decisions and their comparability with financial lists of other companies (Azam, 2020:21).
2. The ability of customers and investors to make sound decisions about their investments and try to reduce the ambiguity and errors caused by multiple ways and means of processing accounting data in various countries of the world that rely on these accounting standards, thereby reducing the cost of the capital and funding sources and creating the cost of obtaining information and attracting external investors (Van & Vanstraelen, 2017:70).
3. Disclosing the fair value of the assets owned by the company and the liabilities that are an obligation on the company and reducing personal accounting estimates, whether for the life of the asset or estimating the rubble (scrap), thus reducing personal administrative estimates of the company's property and improving the control processes by owners of property rights and shareholders, which leads to the results To reduce the risks that these properties may be exposed to (Green, 2015: 87).
4. Ease of registration and integration of companies in the global financial markets and save time and effort in formulating local accounting standards commensurate with the environment in which that company operates and regulates its work and economic activity (Ahmed, 2015:65).

In addition to the benefits above from the application of International Accounting Standards (IAS) by economic companies, there are some risks in applying these standards (Frey & Chandler, 2017:78:78:

1. These international standards are interpreted by an independent commission rather than by the Commission which promulgated them (guiding criteria).
2. There is ambiguity in the interpretation and understanding of some international accounting standards, which leads to an increase in the cost of applying those accounting standards, especially in sole proprietorship companies, which leads to an increase in cost and a reduction in benefit (cost-benefit principle).
3. Some countries apply local accounting standards and do not want to use international accounting standards due to the use of new accounting methods and procedures in the transformation process when preparing and presenting financial statements (Azzam, 2020: 56).

At the end of the article, the researcher believes that local and international professional organizations always strive to prepare and display financial statements of high quality and qualitative characteristics useful to their users to improve their investment decisions, and the managements of joint-stock companies always strive to prepare their financial statements in accordance with generally accepted accounting principles (GAAP) issued by the American Academy For Certified Public Accountants (AICPA).

The International Accounting Standards Committee (IASC) was established as a body responsible for creating and formulating internationally accepted global accounting standards, and this committee continued to carry out its work until it was replaced in 2001 by the International Accounting Standards Board (IASB) to work to enhance the independence, legitimacy and quality of preparing international accounting standards and making amendments to those standards. Accounting standards and their development from one period of time to another.

Therefore, the researcher believes that joint-stock companies operating in the financial markets must adhere to applying these accounting standards in processing accounting data and preparing and presenting the financial statements published by those companies in order to be able to trade their securities at the global level.

CONCLUSIONS:

The article reached a set of results that can be taken into account to help rationalize investors' decisions, including the following:

1. Some joint stock companies manipulate numbers and show accounting financial information other than in their true form by the developers of the financial statements, as a result of exploiting flexibility and choices in the application of IAS in accounting processes of the elements of the financial statements to serve the management of companies so that this manipulation cannot be easily detected by certified external auditors.
2. Most of the shareholding companies listed in the global markets are not preparing monthly or biannual financial reports or by year in addition to preparing annual financial statements, as long as they are unnecessary and

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insignificant according to local rules, laws and instructions, despite the importance of these reports in providing important and useful information on the financial conditions and results of the companies' business on an ongoing basis.

3. Shareholding companies always seek to increase the benefit of accounting information they provide to their users and in accordance with the requirements of International Accounting Standards (IAS). Consequently, they incur additional financial expenditures, especially in the transition from the application of a domestic accounting system based on certain foundations and procedures to the application of a theoretical framework based on global accounting standards, application requirements and international methods and procedures.
4. The American Society of Chartered Accountants (AICPA) has issued international accounting standards based on a set of generally accepted accounting principles (GAAP) and on certain bases and rules that must be strictly applied when preparing and displaying financial lists with a view to protecting users' audience, while the international Accounting standards Board (IASB) adopts limited bases and rules that provide relatively little guidance to beneficiaries because they rely on personal estimates and professional judgement when applying certain accounting procedures to elements of financial statements.
5. We note certain Iraqi accounting norms and standards, including rule 14, which do not comply with the requirements of the global financial reporting standards in terms of naming, limiting and defining financial investments so that they are locally called financial investments, while the International Financial Reporting Standards (IFRS) are listed as financial instruments

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