



## THE EXPECTED ROLE OF INTEGRATED REPORTS IN REDUCING THE ASYMMETRY OF ACCOUNTING INFORMATION IN IRAQ

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Article history:	Abstract:
<b>Received:</b> 26 <sup>th</sup> April 2024 <b>Accepted:</b> 20 <sup>th</sup> May 2024	The main objective of the research study is to determine the extent to which the expected role of integrated reporting will reduce Iraq's level of accounting information asymmetry. To this end, the researcher relied on a distributed questionnaire (Report Users, Financial Analysts, Faculty) and research has found a moral impact between integrated reports and reducing the asymmetry of Iraq's accounting information, Integrated business reports help reduce problems of accounting asymmetry through improved transparency and accountability and provide a more comprehensive picture of the company's performance by linking financial performance to non-financial performance and thus communicating information to all parties; The research recommends that integrated business reports should be adopted across Iraq's various sectors to reduce the similarity of accounting information and improve investors' decisions.

**Keywords:** Integrated reports, Asymmetry of Accounting Information, Financial performance

### INTRODUCTION:

Accounting information is the fundamental pillar on which stakeholders, especially investors, rely when making their decisions. And it is difficult to determine the nature and type of information each investor needs when making their different decisions in the money market. The asymmetry of accounting information adversely affects customers in the stock market, where such customers who do not have access to the information lead to recourse to many financial analysts for the purpose of conducting the necessary analyses, resulting in the high cost of information and thus withdrawing from the stock market. In addition to reducing their dealings or permanently withdrawing from the market, the volume of trading decreases, affecting liquidity. This effect also extends to a higher cost of capital and a lower return, which is ultimately reflected in investors' distrust of the stock market due to marked volatility in equity prices (Saleh, Abdel Hafeez, 2022).

To overcome problems arising from asymmetric information, many studies have shown a number of factors limiting this phenomenon, the most important of which is the expansion of accounting disclosure by increasing the amount of information disclosed in financial reports in their current form because this information has become insufficient to support decision-making and thus improves the quality of accounting information. Non-financial reporting initiatives at academic and professional levels, to provide environmental and social information content to users' needs and help them make rational decisions and work to modify and develop financial reports in their traditional form to reflect both financial and non-financial information needed for their users, It includes the descriptive and quantitative aspect of that information, to measure the company's success in achieving its economic objectives and thus assess its sustainability through a new disclosure approach called "integrated reporting" (Needles et al., 2016).

### RESEARCH PROBLEM:

The problem of asymmetry of accounting information is one of the fundamental problems facing the stock markets and affecting their efficiency in the light of the separation of ownership from management by companies trading their shares within these markets and in the light of the seriousness of this problem through its negative impact on the efficiency of stock markets and with increasing environmental and social problems and their adverse effects on companies' economic conditions, Investors' decisions in these situations have become highly risky. Financial lists in their current form are insufficient to meet stakeholders' needs, This prompted companies to adopt a trend whereby other information regarding non-financial information is optionally disclosed and therefore the need for integrated reports, which is an appropriate means by which financial and non-financial information can be combined. and as a result of the lack of direct focus of previous studies on the role of the prospective integrated reports in reducing the asymmetry of accounting



information in Iraq; This study will therefore focus on that role and the study's problem can therefore be formulated in the following questions:

- 1-What is the phenomenon of asymmetry of accounting information, and what are the risks arising therefrom and the means to reduce them?
- 2-What is the expected role of integrated reporting in Iraq's environment?
- 3-Can the disclosure of integrated reporting information contribute to reducing the asymmetry of accounting information in Iraq's stock market?

#### PREVIOUS STUDIES:

**The study (Martinez, 2015)** aimed to evaluate the role of integrated reporting in reducing information asymmetry in South Africa. The study found that companies that are largely consistent with the integrated reporting framework have little information asymmetry. It also suggested that companies that have an environment Better information is one that directly follows the principles of integrated reporting.

**The study (Bernardi&Stark,2018)** aimed to measure the impact of the development of the report system in South Africa on the accuracy of financial analysts' expectations as one measure of information asymmetry during the period 2008 to 2012 as a way of assessing users' expectations of the importance of integrated reports The study found that disclosure levels of activities associated with both the community environment and governance were not closely linked to financial analysts' expectations prior to the introduction of a system, but that those levels were specific to environmental disclosure levels that were accurately linked to financial analysts' expectations after the introduction of a system.

**A study (Alain&Melegy,2020)** aimed to illustrate the impact of the quality of the disclosure of integrated reports on the predictability of accounting information and the value of the company in the Egyptian stock market The study applied to companies listed on the Egyptian Stock Exchange in the 30 EGX Index from 2015 to 2018, and found that failure to adhere to appropriate standards and guidelines to regulate their accounting disclosure to date and the disclosure of the quality of the integrated report increases accounting qualifications and equity prices and thus increases the company's value.

**In the researcher's view**, not all previous studies have addressed the foreseeable role of integrated reporting in reducing the similarity of accounting information in Iraq. The most important means to reduce the similarity of information is to expand disclosure because traditional financial reporting is insufficient to meet the needs of stakeholders and can provide information to some persistents but not others. Consequently, there is a need to disclose non-financial reports through integrated reports aimed at improving the quality of information and thus reducing the similarity of Iraq's accounting information.

#### OBJECTIVES OF RESEARCH:

The main objective of the research is to determine the extent to which the expected role of integrated reporting information contributes to reducing Iraq's level of accounting asymmetry. The main objective derives from the following sub-objectives:

- 1-Identify the phenomenon of asymmetry of accounting information, the risks involved and the means to reduce them.
- 2-To reveal the expected role of integrated reports in Iraq's environment.
- 3-Identifying that disclosure of integrated reporting information can contribute to reducing the asymmetry of accounting information in Iraq's stock market.

#### IMPORTANCE OF RESEARCH:

The importance of this study stems from the additions it is expected to provide at the academic level In spite of the increase in Arab and foreign accounting scientific studies and research on the topic of non-financial performance of sustainable performance, Social and environmental responsibility, however, derives its importance as a result of the lack of Arab accounting studies to the researcher's knowledge, which attempt to link the foreseeable role of integrated reporting with the lack of direct comparability of accounting information in Iraq. So this study will open the way for further studies on this topic that will receive the researchers' attention, and therefore this study is a scientific addition in an attempt to close the gap in this vital field.

Research hypotheses:

In light of the objective of the study, the researcher can test the following research hypotheses:

- **HO<sub>1</sub>**: There are no moral differences in their investigators' perceptions of the advantages of integrated reporting.
- **HO<sub>2</sub>**: There are no moral differences in the perceptions of their investigators about the problems of the asymmetry of Iraq's accounting information.
- **HO<sub>3</sub>**: There is no moral effect between integrated reporting and reducing the asymmetry of Iraq's accounting information.



### METHODOLOGY OF RESEARCH:

To achieve the objectives of the research, the research will rely on two methods, deductive and inductive. Where the deductive approach is used in the stage of reviewing, studying and analyzing accounting thought through previous studies related to the subject of study in the areas of applying integrated reports and their impact on reducing information asymmetry in Iraq.

The inductive approach is used to complete the applied side of the study to verify the validity of the hypotheses reached through the applied study.

### THEORETICAL FRAMEWORK FOR INTEGRATED REPORTING AND ASYMMETRY OF ACCOUNTING INFORMATION:

#### First: The Nature of Asymmetric Accounting Information:

The availability of information related to the company to some stakeholders, especially investors, but not others, results in the so-called phenomenon of information asymmetry, which creates a state of imbalance in the markets, which makes small investors who do not have the information to resort to trying to protect themselves from the loss that may fall on them as a result of dealing with investors with information.

#### The Concept of Asymmetric Accounting Information:

Views on the concept of information asymmetry have varied, and this can be divided into two directions, as follows:

**First direction:** focuses on the asymmetry of information between management or internal parties on the one hand and external parties on the other s current and future economic performance either outweighs the information held by third parties such as shareholders and investors, The company's directors seek to increase their personal benefits from the benefits of shareholders and the value of the company (Atauallah, 2014)

**Second direction:** focuses on the asymmetry of information between investors and each other in which it indicates that some investors have special information about the value of the company unlike others who have no sole access to public information, This may affect their investment decision, and this difference in information results in avoiding loss or profit in the form of extraordinary returns to the group of investors with private information at the expense of investors who relied on public information only (Cormier et al., 2013).

It can be argued that the phenomenon of information asymmetry calls the situation where market distortion is prevalent as a result of a monopoly on some of the transaction's information, leading to irrational economic decisions that ultimately lead to market collapse.

#### Reasons for phenomenon of information asymmetry:

The reasons that may lead to information asymmetry are as follows (Basiddiq & Hussainey, 2012 ; Latridis, 2011:89):

1. **Separation of ownership from management:** The separation of ownership from management and conflict of interest between management and financial reporting users increases information asymmetry between them in which the Department seeks to have more information than shareholders to obtain as much financial benefit as possible, or the expansion of fraudulent practices to manipulate profits resulting thereby affecting their personal interest in shareholders' failure to take adverse decisions against them.
2. **Delays in the dissemination of accounting information.** Delays in the issuance of accounting information contribute to reducing the relevance and usefulness of such information to decision makers, which can increase the information gap between management and investors, and thus the inconsistency of information among securities market operators.
3. **Low Level of Disclosure of Accounting Information:** Management exploits the flexibility of accounting standards that allows it to partially and not in detail disclose certain items resulting in lack of understanding of the information disclosed and its operability. Therefore, users of accounting information have recourse to the information required in their own way from within the company, resulting in a different amount of information available to them.
4. **Low Quality of Published Accounting Information:** The qualitative characteristics of accounting information are one of the most important factors relied upon in investment decision-making in the financial arcade market. Disclosure of low quality information means that management has information about the company's financial performance that is not available to users of the information, thus obtaining this information from other sources.
5. **Different experience of users of accounting information:** Different experience of users of financial statements in understanding and analysing information may be one of the main reasons for the inconsistency of information between management and external parties or between external parties.

**Reducing the means of the phenomenon of information asymmetry: through the following: (Ali et al., 2017)**



1. **Management labour market:** The management labour market is a means of reducing the monopoly and non-disclosure of information by management to outside parties. There must be a free labour market that can be done through the choice of management and the conclusion of contracts between them and external parties interested in the company's performance. Through this contract, management provides the information that those parties need when making their decisions.

2. **Accounting information intermediaries:** In view of the widespread asymmetry of information, those who do not have access to information have two options: to search for and collect private information themselves; and, through the use of information intermediaries, and in the absence of the first option, the demand for reference services by the stock market has increased.

3. **Expansion of accounting disclosure:** The phenomenon of asymmetry of information results because management does not provide adequate disclosure of information needed by users and using many factors, including the complete withholding of such information from the public, or delays in the issuance of information, and thus that phenomenon can be said to be linked to the efficiency of disclosure and transparency systems, Decision-making in the stock market is influenced by the quantity, quality and timing of information. and hence the expansion of accounting disclosure is one of the most important means proposed to reduce information asymmetry.

### **Second: The Expected Role of Integrated Reports:**

#### **The Concept and Dimensions of Integrated Reports:**

The studies associated with this area provided several definitions of integrated reports, as they were defined by the International Council for Integrated Reporting in its 2011 discussion paper as "a process whereby substantive information is compiled regarding the extent to which the company's strategy and performance contribute to clarifying the financial, social and environmental aspects through which it operates (IIRC,2011).

defined Pozzoli & Gesuele the integrated reports as "a new form of external communication that collects both financial and non-financial material information to support stakeholders in interpreting their judgements about the company's performance and value creation capacity" (Pozzoli & Gesuele, 2016).

Through the above, it is clear to the researcher that the integrated reports combine financial and non-financial information, in a way that illustrates the linkages between the financial and non-financial performance of the dimensions (Economic, Environmental, Social, Governance and Risk), with a view to providing stakeholders with clear information on the company's ability to create value in the future. This is not a formal merger of the company's independent reports but a merger of thinking.

#### **The dimensions of the integrated reports can be divided into: (Abdulaal, 2017)**

1. in terms of disclosure of sustainability information can be divided into several dimensions: economic dimension, social dimension, environmental dimension, governance dimension and risk dimension, as integrated reports provide information on the non-financial performance of past dimensions.

2. In terms of the nature of the information disclosed, it can be divided into two dimensions: the quantitative and the qualitative dimension, where integrated reports are considered to be a broader perspective of information than sustainability reports.

### **Third: Impact of the disclosure of integrated reports on reducing the asymmetry of accounting information:**

The expansion of accounting disclosure is one of the most important tools proposed to overcome problems of asymmetry of information. By increasing the quantity and quality of information disclosed, the difference in the provision of information to customers in the stock market can be reduced

The role of integrated reporting information is to reduce the asymmetry of accounting information in two pillars: (Qadra, 2020).

- **First Axis:** Integrated reports and level of disclosure: The amount of information disclosed in integrated reports is not limited to certain limits compared to financial reports. Disclosure in integrated reports requires more information than disclosure in financial reports. Additional and comprehensive information on the company's overall performance is disclosed, such as: Strategic information about the company, management analysis and future perceptions, and non-financial information, which emphasizes the quantitative dimension of the integrated reports, and thus this expansion of the quantitative information provided by the integrated reports can reduce information asymmetry.

- **Second Axis:** Integrated reports and quality of disclosure: In order for the integrated reports to be properly prepared, a scientific method fit for application is followed accountants' commitment to a set of qualitative characteristics in the preparation of these reports, In order to regulate disclosures of financial and non-financial information items disclosed through these reports and to prepare them in a manner that achieves the objectives pursued by these reports, which emphasizes the qualitative dimension of integrated reports aimed at improving the quality of accounting



information; The International Framework for Integrated Reporting has defined in the guidelines a set of qualitative characteristics of information that should be included in these reports as follows: (Melegy, Alain, 2018)

1-**Reliability** (sincere expression): The reliability of information is influenced by the extent to which it is balanced and free of material errors.

2-**Consistency and comparability**: consistency and includes consistency on accounting policies used from period to period, and comparability where information must be presented in a form that allows comparison with the historical information of the same company or with other companies in the same industry.

3-**Timing**: The integrated reporting framework requests that information be made available to stakeholders in a timely manner, meaning that information is accessible to almost all investors simultaneously, which can help reduce information asymmetries.

4-**Understandability**: These reports must provide financial and non-financial information to stakeholders in an understandable way to assist them in conducting financial and non-financial analysis in a balanced manner, resulting in information asymmetry between them.

5-**Relative importance**: The information contained in the integrated report must be of relative importance to one of the interest groups.

**FIELD STUDY:**

**Study Society:**

The study community consists of (report users, financial analysts, faculty members) as the groups whose views can be taken in achieving the study's objective.

**Survey list management:**

The survey list was managed and implemented by the researcher to ensure an adequate rate of responses. The number of responses (251), as shown in the following table:

Table (1): Survey lists distributed among the sample categories

Sample categories	Distributed lists	Missing listings	Lists received	Rejected lists	Analyzed lists	Response rate %
Survey lists	280	14	266	15	251	89%

**Data collection method and survey list design:**

In collecting data and formulating the survey list, the researcher relied on two methods:

1. personal interview

2. Survey list, The survey list includes:

- **Personal data about the respondents:** This is to clarify the experience and qualifications of the respondent and determine the degree of reliance on his answer.

- **A set of graded questions:** The respondent chooses a five-point answer to answer it as a basis for using it **Five-point Likert scale** It consists of five answers. Weights have been given to the graded questions as follows:

Strongly Agree	Agree	Neutral	Not Agree	Strongly Disagree
5	4	3	2	1

**Degree of reliability and validity (Cronbach's alpha) for the survey list as a whole:**

The degree of reliability and validity of the survey list as a whole can be measured as it represents the tool used to measure and analyze the results, using the Cronbach's alpha coefficient, which is shown in the following table:

Table (3) Degree of reliability and validity of the survey list

The number of statements for the inspection list as a whole	Number of questions	Cronbach's alpha	Self-honesty coefficient
Survey list	13	0.910	0.953

It is clear from the previous table that the reliability coefficient (Cronbach Alpha) for each of the study variables is greater than (0.5), which indicates the stability of the statements for each of these variables.

Through the reliability coefficient (Alpha Cronbach), the researcher can arrive at the self-reliability coefficient for each variable, as:



**Self-honesty coefficient** = the square root of the Cronbach's Alpha reliability coefficient

It is clear to the researcher from the previous table that the self-honesty coefficient for each of the study variables is greater than (0.5), which indicates the truthfulness of the statements that make up each of these variables.

**Statistical Analysis of Hypotheses:**

**First: Descriptive Analysis**

**1-Descriptive Analysis of the Independent Variable (integrated reports):**

The researcher reviews the results of describing opinions on questions related to the independent variable, integrated reports.

Table 4: Descriptive statistics for integrated reports

No.		SMA	S.D	Order of importance
1	Improve transparency and accountability	4.26	0.733	6
2	Providing an integrated and clear picture of the company's performance by linking financial and non-financial performance	4.39	0.759	5
3	Enhance trust with investors and other interested parties	4.41	0.689	4
4	Providing a comprehensive picture of the company's performance and long-term value	4.55	0.633	3
5	Meet the needs of various stakeholders, including investors, employees, customers, and society in general, by providing a comprehensive and balanced view of how the company generates value and how it impacts society and the environment.	4.65	0.617	1
6	Helping companies better identify opportunities and risks	4.60	0.608	2
7	Support informed and sustainable decision making	4.26	0.733	7
<b>Mean</b>		<b>4.45</b>	<b>0.681</b>	

Source: the results of SPSS outputs

It is clear from the previous table that the mean of all statements is greater than (3), and this indicates that there is a general trend towards agreeing to Features of integrated business reports With an arithmetic mean of (4.45), it is also noted that the standard deviation for all statements is less than one, and this indicates low dispersion in the sample's responses to these statements.

• **Descriptive analysis of the dependent variable (asymmetric accounting information in Iraq)**

The researcher reviews the results of describing opinions on the questions related to the dependent variable (Asymmetry of accounting information in Iraq)

Table (5): Descriptive statistics on the problems of accounting information asymmetry in Iraq

No.		SMA	S.D	Order of importance
1	Conflict of interest between management and shareholders.	4.50	0.671	2
2	Provoking management with information that should be published and using it to achieve personal gains and purposes, whether for themselves or their acquaintances, achieves gains at the expense of others without right.	4.62	0.648	1
3	Decreased market efficiency results from one party acting on asymmetric information and taking greater risks because the other party bears costs or losses.	4.35	0.684	6
4	Information asymmetry affects the company's reputation as a result of conflicting information available.	4.48	0.635	4
5	Poor decisions where information is not equally available to all parties involved in the decision-making process	4.47	0.608	5



6	Information asymmetry leads to the risk of a collapse in stock prices	4.49	0.672	3
<b>Mean</b>		<b>4.48</b>	<b>0.506</b>	<b>—</b>

**From the results of SPSS outputs**

It is clear from the previous table that the mean of all statements is greater than (3), and this indicates that there is a general trend towards agreeing to **Problems of asymmetric accounting information in Iraq**, This has an arithmetic mean of (4.48). It is also noted that the standard deviation for all statements is less than one, and this indicates low dispersion in the sample's responses to these statements.

**Second: Hypothesis testing**

**What Testing the first hypothesis:**

The validity of the first hypothesis is tested ( $H_{01}$ ), and he " **There are no significant differences in the respondents' perceptions of the features of integrated reports.**" This hypothesis was tested by applying (K.A<sup>2</sup>) whose results appeared in the following table:

**Table (6) Test (ka<sup>2</sup>) about the features of integrated reports**

Statement	X <sup>2</sup> Calculated	DF	Asymp.Sig.
Improve transparency and accountability	193.701	3	0.000
Providing an integrated and clear picture of the company's performance by linking financial and non-financial performance	184.108	3	0.000
Enhance trust with investors and other interested parties.	202.275	3	0.000
Providing a comprehensive picture of the company's performance and long-term value	241.637	3	0.000
Meet the needs of various stakeholders, including investors, employees, customers, and society in general, by providing a comprehensive and balanced view of how the company generates value and how it impacts society and the environment.	316.251	3	0.000
Helping companies better identify opportunities and risks.	270.291	3	0.000
Support informed and sustainable decision making	193.701	3	0.000

**Source:** the results of the SPSS program outputs

Since the level of significance is less than (0.05), the null hypothesis is rejected and the alternative hypothesis is accepted, which means, There are significant differences in the respondents' perceptions of the advantages of integrated reports.

**• Testing the second hypothesis:**

The validity of the second hypothesis is tested ( $H_{02}$ ) no There are significant differences in the respondents' perceptions about the problems of asymmetry in accounting information in Iraq. This hypothesis was tested by applying ( $\chi^2$ ) whose results appeared in the following table:

**Table (7) Test ( $\chi^2$ ) On the problems of asymmetric accounting information in Iraq**

Statement	X <sup>2</sup> Calculated	DF	Asymp.Sig.
Conflict of interest between management and shareholders.	345.076	4	0.000



Provoking management with information that should be published and using it to achieve personal gains and purposes, whether for themselves or their acquaintances, achieves gains at the expense of others without right.	433.442	4	0.000
Decreased market efficiency results from one party acting on asymmetric information and taking greater risks because the other party bears costs or losses.	185.414	3	0.000
Information asymmetry affects the company's reputation as a result of conflicting information available.	222.546	3	0.000
Poor decisions where information is not equally available to all parties involved in the decision-making process	218.944	3	0.000
Information asymmetry leads to the risk of a collapse in stock prices.	345.076	4	0.000

**Source:** the results of the SPSS program outputs

Since the level of significance is less than (0.05), the null hypothesis is rejected and the alternative hypothesis is accepted. This means There are significant differences in the respondents' perceptions of the problems of accounting information asymmetry.

• **Testing the third hypothesis:**

**The researcher reviews the results of testing the third hypothesis (H0<sub>3</sub>) which states There is no significant effect between integrated reports and reducing the phenomenon of accounting information asymmetry in Iraq."**

The variables of this hypothesis are as follows: -

**Independent variable (X):** Integrated reports, **Dependent variable (Y):** Asymmetry of accounting information.

A simple linear regression analysis method has been used to measure the effect of the relationship between the independent and the dependent, by applying the correlation matrix, so that the simple linear regression model can be applied.

Table No. (8) Pearson correlation matrix to identify the extent of a relationship between integrated reports and the asymmetry of accounting information in Iraq

Independent variable	Pearson correlation coefficient	Moral
Integrated reports	0.724**	0.000

**\*A function at a significance level less than (0.05)**

**Source:** From the results of the SPSS program outputs

It is clear from the previous table that there is a positive (direct) significant correlation between the independent variable and the dependent variable, as the correlation coefficient reached (0.724) at a significance level less than (0.05). Accordingly, the null hypothesis is rejected and the alternative hypothesis that says " There is a significant effect between integrated reports and reducing the phenomenon of accounting information asymmetry in Iraq."

As a result of the existence of a relationship between the independent and dependent variables, a simple linear regression model can be applied.

Table No. (9) Using a simple linear regression model to determine the extent of a relationship between integrated reports and the asymmetry of accounting information in Iraq

Independent variable	Regression coefficient (β)	value(T)	Moral level
Gradient constant	1.292	6.651	0.000
Integrated reports	0.718	16.545	0.000
Coefficient of determination (R2)	52%		
value (F)	273.736		
Significance level	0.000		

**\*A function at a significance level less than (0.05)**





**Source:** From the results of the SPSS program outputs

**It is clear from the previous table:**

- The coefficient of determination: Which indicates that the independent variable explains (52%) of the dependent variable." Asymmetric accounting information The rest of the percentage (48%) may be due to random error in the equation or perhaps to the failure to include other independent variables that should have been included in the model.
- Testing the significance of the goodness of fit of the regression model: To test the significance of the variables of the model as a whole, the (F Test) test was used, as the value of the (F Test) is (273.736) and is significant at a level less than (0.05), which indicates the effect of the independent variable on the dependent variable.
- Testing the significance of the independent variable: Using the T Test, it is clear that the independent variable in the simple linear regression model is: Integrated reports It has a significant effect at a significance level (0.05).

Model equation -----

$$Y = 1.292 + 0.718 X$$

**RESEARCH RESULTS&RECOMMENDATIONS:**

**First: Search results:**

1. There is agreement among the categories of respondents about the advantages of integrated reports. Integrated reports contribute to improving transparency and accountability, in addition to providing an integrated and clear picture of the company's performance By linking financial and non-financial performance, it also provides a comprehensive picture of the company's performance and value in the long term.
2. There is agreement among the categories of respondents regarding the problems of asymmetric accounting information in Iraq. The asymmetry of information leads to a conflict of interests between management and shareholders, in addition to management being irritated by the information that must be disseminated and used to achieve personal gains and purposes, whether for themselves or for their acquaintances.
3. There is a significant effect between integrated reports and reducing the phenomenon of accounting information asymmetry in Iraq. Integrated business reports help reduce problems of asymmetry in accounting information by improving transparency and accountability, and providing a more comprehensive picture of the company's performance by linking financial performance to non-financial performance and thus communicating information to all parties.

**Second: Recommendations:**

1. The necessity of adopting integrated business reports on different sectors to improve investors' decisions.
2. It is necessary to raise awareness among companies about solving the problems of information asymmetry, as it poses a risk to the collapse of company stocks.

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