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Aggregate accounting information and its impact on management decision-making (Case Study)

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Abstract

The main aim of this paper is to explain the effect of the aggregation accounting information on the financial, investment, and operational, managerial decision-making and the evaluation of the financial statements after aggregate. The problem of this study is represented in administrative decision-making that takes place under differentiated accounting systems operating within a governmental economic unit that seeks at the same time to achieve a unified vision and goals for the organization. This study was conducted at the College of Administration and Economics /University of Baghdad, and it represents a sample from a community of governmental economic units that apply differentiated accounting systems. The study method is represented by adopting the descriptive approach in showing the effect of aggregate accounting information on making and making administrative decisions based on scientific and rational methods. The study concluded the most important conclusions, which is that when aggregate the accounting information, the qualitative characteristics of the accounting information change and become more beneficial to the decision-maker, and a change occurs in the direction of the administrative decision inside and outside the governmental economic unit.

Key words: **aggregate accounting information, decision-making, aggregate Statement of financial position, aggregate statement of current operations, Performance evaluation.**

Introduction

The main problem of this study is to explain the effect of the aggregate accounting information in making administrative decisions within the economic unit and evaluating the financial statements after aggregate. Thus, the main hypothesis in the study is that there is an effect between the aggregate accounting information on administrative, financing, investment, and operational decisions, with the possibility of conducting an evaluation process for administrative decisions through the aggregate financial statements, by horizontal financial analysis and at the level of differentiated subsystems. The importance of the research is that the aggregate accounting information would affect the financing, investment, and operational administrative decisions, in addition to enhancing the comparison and performance evaluation process between governmental economic units. The beneficiaries of this study are the governmental economic units that follow differentiated double accounting systems whose sources of financing are from the state's general budget and self-generated resources.

The study community is represented by all government units that apply differentiated accounting systems. In contrast, the study sample was represented by the College of Administration and Economics / the University of Baghdad, a governmental economic unit that applies differentiated accounting systems within its financial structure.

As for the research tools, the researcher depended on collecting data and information to complete the theoretical side of the research on Arab and foreign sources of letters, theses, books, and articles published on the International Information Network the Internet, while the practical side of the research was based on the laws and instructions applied in the research sample, personal interviews. With the parties related to the research topic.

In order to achieve the objectives of the study and prove its hypotheses, the research was divided into three main axes; the first axis represents the theoretical side of this study, the second axis represents the practical side of the research, the third axis the conclusions, and finally the references.

2. theoretical axis

2. 1: The concept and characteristics of accounting information

2. 1. 1: Concept of information

Accounting information is an essential basis for users, whether inside or outside the economic unit, through which they base their short and long-term decisions. Therefore, theorists of accounting thought differed in defining accounting information; we review the following:

(Marshall) defined information as data that was organized and processed to provide meaning and improve decision-making (Romney & Stenibart, 2018: 3).

While (Al-Hayali and Al-Ghazzawi) defined the information as the final product of the data that was operated according to the stages of the accounting system (Al-Hayali and Al-Ghazzawi, 2015: 62).

As for (Freijat), he defined it as data that was processed to achieve a specific goal or a specific use to make decisions (Freijat, 2013: 21).

2 . 1 . 2: Characteristics of accounting information

The effective accounting information systems in organizations are the ones that produce accounting information according to characteristics that make that information relevant for users. These characteristics are as follows:

1 . Basic characteristics: It consists of two essential characteristics :

A. Relevance: For the information to be relevant, the accounting information must make a difference in the decision. The information that does not influence the decision is not relevant. Financial information can make a difference when it has a predictive value or a confirmatory value, or both.

• Predictive value: financial information has predictive value if it has value as an input to predictive processes used by investors to form their expectations about the future.

• Confirmatory value: relevant information also helps users confirm or correct prior expectations; it has confirmatory value.

• Materiality: materiality is a company-specific aspect of relevance. Information is material if omitting it or misstating it could influence decisions that users make based on the reported financial information. An individual company determines whether the information is material because both the nature and magnitude of the item(s) to which the information relates must be considered in the context of an individual company's financial report. Information is immaterial and therefore irrelevant if it would have no impact on a decision-maker. In short, it must make a difference, or a company need not disclose it. Assessing materiality is one of the more challenging aspects of accounting because it requires evaluating both the relative size and importance of an item. However, it is difficult to provide firm guidelines in judging when a given item is or is not material. Materiality varies both with the relative amount and with relative importance (Kieso et al. 2014: 32-33).

B. Faithful representation: the information must represent what it is supposed to represent, this means that the information must correspond to the phenomenon being reported, and it must be complete and free from bias and error (Weil et al., 2014: 21).

• Completeness: completeness means that all the information that is necessary for faithful representation is provided. An omission can cause the information to be false or misleading and thus not be helpful to the users of financial reports.

• Neutrality: neutrality means that a company cannot select information to favor one set of interested parties over another; providing neutral or unbiased information must be the overriding consideration.

• Free from Error: an information item free from error will be a more accurate (faithful) representation of a financial item (Kieso et al. 2014: 34).

2 - Enhancing characteristics: It consists of the following characteristics:

A. Understandability: Financial information must meet the needs of individuals who may not be fully aware of accounting details but still have to rely on reports. This is a delicate balance that must be achieved. Excessive oversimplification may exclude valuable information, while excessive detail may overburden the user to the point of masking major problems (Walther & Skousen, 2009: 26).

B. Timeliness: the information must reach the decision-maker at the appropriate time. Otherwise, it sometimes lost its value and became useless to the beneficiary, as the speed in data production turns it into useful information. There is no doubt that this characteristic is the present and future challenge facing accounting thinkers and professionals. As they reduce the period of the financial period, the greater the randomness of the accounting measurement, so it is necessary to determine the ideal balance point through which information can be produced at the appropriate speed while preserving the characteristics of the accounting measurement (Al-Hamid, 2009: 115).

C. Verifiability: it means that the results that a specific person can reach using certain methods of measurement and disclosure can be reached by another independent person using the same methods. The verifiability feature allows us to avoid bias related to the personality of the measurement process, but it does not guarantee the correct method used for the measurement (Shaheen, 2011: 115).

D. Comparability: The possibility of using accounting information in making comparisons is vital due to the lack of absolute measures to evaluate performance. Where the goal of making comparisons is to identify and explain the similarities and differences by finding the relationship between two types of information or numbers, and the comparisons are made either on two levels:

- **Comparison between the results of the periods for the same accounting unit, which is known as consistency or similarity.**
- **Comparison between the results of different accounting units, known as consolidation (Al-Shirazi, 1990: 196-198).**

2. 2: Aggregate accounting information concept

Most users agree that, although consolidated financial information is essential, it is more beneficial if supplemented with disaggregated information to assist in analyzing the uncertainties surrounding the timing and amounts of expected cash flows. Thus, the FASB requires all public companies to report information about the revenues earned in different countries and their assets, about significant customers, and about revenues for each product and service, even when some of the information is not used by the firm in its operating decisions. In general, the FASB implemented a management approach, focusing on how management organizes segments internally to make operating decisions and to assess performance. The aim of this approach is to facilitate consistency between internal and external reporting. Information may be segmented by product or service, geographic area, customer type, or a legal entity. For each operating segment, firms must report segmental profit or loss, certain items of revenue and expense, segmental assets, and other items. Operating segments of the firm are determined using a modified management approach. An operating segment is a component that exhibits all of the following characteristics:

1.It engages in business activities that may earn revenues and incur expenses (including transactions with other entity components).

2.The entity's chief operating decision maker (perhaps one individual or a group of executives) regularly reviews the component's operating results to assess its performance and make decisions about resources to be allocated to it.

3.Discrete financial information is available.

Aggregation Criteria: It is an n entity that permitted (but not required) to aggregate operating

segments that have similar economic characteristics if the segments are also similar to all the following areas:

1.The nature of their products or services.

2.The nature of the production processes.

3.The types or class of customers.

4.The methods used to distribute products or provide services.

5.The nature of the regulatory environment (banking, for example).

Quantitative thresholds each operating segment that is significant to the enterprise as a whole must be identified as a reportable segment. A segment is considered to be significant if it meets one or more of the following tests, the tests being applied separately for each fiscal year for which financial statements are prepared:

1.Its combined external and internal revenue is 10% or more of the combined external and internal revenue of all reportable segments.

2.The absolute amount of its reported profit or loss is 10% or more of the more incredible absolute amount of:

- **The combined reported profit of all operating segments not reporting a loss.**
- **The combined reported loss of all operating segments that reported a loss.**

3. Its assets are 10% or more of the combined assets of all operating segments.

In addition to the tests described above, the reportable segments taken together must represent a substantial portion of the firm's total operations. To determine whether a substantial portion of a firm's operations are explained by its segment information, the combined revenue from sales to unaffiliated customers of all reportable segments must constitute at least 75% of the combined revenue from sales unaffiliated customers of all operating segments. If the 75% test is not satisfied, additional segments must be identified until the test is met. The test is applied separately for each fiscal period for which financial statements are prepared.

Methods of Presentation Information about the reportable segments of a firm maybe included in its financial statements in any of the following ways:

1.Within the body of the financial statements, with appropriate explanatory disclosures in the footnotes to the financial statements.

2.Entirely in the footnotes to the financial statements.

3.In a separate schedule that is included as an integral part of the financial statements.

Financial information such as revenue, operating profit or loss, and identifiable assets must be presented in dollar amounts; related percentages may be shown if desired (Jeter & Chaney,2015:594-598).

2. 3: Decision Making

The administrative decision is the basis of the administrative work, which contributes directly and indirectly to achieving the goals and vision of the organization in the short and long term, and these decisions differ from one level to another administrative level within the organization. So, writers and researchers differed in defining the administrative decision, we include the following:

"A systematic, multi-level, information-based process, based on the interaction of the decision-maker with the environment" (Adinolfi, 2020: 1).

"The process by which an individual, group, or organization reaches conclusions about future actions to be follow up in light of a set of goals and limitations on available resources" (Edward, 2014: 1).

"Decision in management is the process of choosing between two or more alternatives to achieve a specific purpose".(Negulescu, 2014: 111)

"It is an activity that results in choosing an alternate from a set of alternatives." (Takemura, 2014: 3).

2. 4: Management Information System and Financial management

The management information system consists of three parts; administration, information, and system. For management, decision-making is the essence of the administrative process through which the administration seeks to make rational decisions. As for information, it is the essential input to the decision-making process, while the system is responsible for the interaction of a group of elements within the system; thus, when gathering the above facts, we arrive at a definition of the administrative information system as a system whose components consist of people, machines, procedures, databases and data models. The system collects data from internal and external sources in the economic unit environment and then processes it and provides it to managers for use in the administrative decision-making process. Where the system is based here on the systems approach, which is a comprehensive approach and is based on the concept of synergy, which indicates that the outputs of the system as a whole are greater than the outputs of the subsystems independently (Goyal, 2014: 14). Among the important matters that should be clarified is that the depth and extent of interaction and complementarity between the financial management during the performance of its tasks and responsibilities and between the departments and other functions in the organization to achieve effectiveness and efficiency, as there is no decision in the facility that does not have financial impact and results. As the decisions of purchasing, production, marketing, human resources, and research and development all include the need to provide sources of funds, so financial management is a subsystem of the more extensive system represented by the organization, influencing the decisions taken by other departments (Al-Jubouri, 2016: 1). However, the position of financial management in the organizational structure of business organizations is at the level of other functional specialties such as operations management, marketing management, and human resources management, as they are the executive departments that come after the first leadership level which is the general manager.

However, financial management, due to its nature, purpose, and mission, is close to the top of the organizational structure, and the reason for this is as follows:

1 - The type of decisions taken and their risk and complexity, which are related to the strategic objective of the organizations.

2 - The importance of data and information available to the financial department and used in the administrative decision-making process. Some believe that the place of financial management in the exact location of accounting management in the organizational structure, and some organizations have even included it, considering that accounting management is financial management based on the consideration that the financial management performs the same accounting tasks, and this is a big mistake Whereas, despite the interconnectedness between accounting management and financial management, it is a technical approach to dealing with accounting data according to recognized rules, its main task is to collect data and prepare final accounts (balance sheet and income statement). In contrast, the financial management approach is characterized by a decision-making approach through which data is analyzed (Zubaidi 2008: 17).

2. 5: Financial Management Decisions

Financial management is the key to successful business operations; without proper management and effective use of financing, no organization can take advantage of its potential to grow and expand. Financial management is concerned with purchasing, financing, and managing assets with some general objectives in mind. As mentioned in the contents of the modern approach, discussions about financial management can be divided into three significant decisions:

1. **Investment decision.**
2. **Financing decision.**
3. **Dividend decision.**

The economic unit takes these decisions together and continuously in the ordinary course of its business. The economic unit cannot take these decisions sequentially. However, decisions must be taken to maximize the wealth of owners (Bhat, 2008: 7), and the following is an explanation of these decisions:

1 - Investment decision: Investment decisions are made about the use of funds in one activity or another, and it includes determining the total investment used in the business, determining the size of the investment in fixed assets, and deciding on the allocation of funds for each investment proposal, Evaluating investments about expected risks and returns, deciding on the optimal capital structure, determining the financial performance of each activity, and assessing the investment opportunities of the organization in terms of mergers or a merger with other organizations (periasamy, 2009: 8).

2 - financing decision: financing decisions are classified into two categories:

A. Strategic financing decisions: They are represented by long-term financing decisions that create wealth, as the primary source of this type is capital markets, and this decision includes determining the best mix of capital structure from stocks and long-term debts, the essential part of strategic financing decisions is the dividend policy that is often referred to separately as a separate decision, which determines the amount to be paid to shareholders and the amount that should be reserved for the company's future investment plans.

B. Operational financing decisions: are represented by short-term financing decisions to finance the organization's investment in medium and short-term assets, respectively, for example, the decision-making to finance a required investment in current assets such as short-term securities and commodity stocks.

2.6: The importance of accounting information in decision-making and performance evaluation

2. 6.1: The role of accounting information in decision-making

The need for accounting information comes from the users of the information, whether they are inside or outside the economic unit, as each group has a specific need for that information for decision-making, thus, dividing these entities into two parts (Al-Attar and others, 2019: 131):

1 - Internal parties: This group includes all the groups that work within the economic unit and have a role in making some fateful decisions. Thus, they need detailed information about the activities of the organization in order to rationalize their administrative decisions.

2 - External parties: These users are represented in all categories that request accounting information related to the economic unit, and they are:

A. Current and prospective investors: to rationalize their investment decisions represented in owning or selling a right of ownership within the economic unit.

B. Suppliers: their need for this information in order to decide regarding whether or not to continue providing the unit in the future and the possibility of recovering the debts owed by the unit.

C. Customers: customers use accounting information to know does the entity offers useful products ? will the entity survive long enough to honor its product warranty?

D. Lenders: Through the lenders' knowledge of the fate and use of loans granted to the economic unit, their decisions are made to grant future loans.

E. Financial analysts: through accounting information, they are analyzed into various financial ratios and provided to the authorities that have appointed them for making their own decisions.

F. Governments: They are represented by governmental tax, supervisory and statistical authorities.

G. Public: to know the extent of the growth of that economic unit and the possibility of providing it with job opportunities.

2.6.2: Indicators of performance evaluation in governmental economic units

There is a set of indicators that are used to evaluate the performance of government units, and the main indicators are as follows: (Jasim, 2010: 61)

1 - Efficiency indicator: Efficiency generally refers to the ratios between outputs and inputs. This means that the administration is efficient if it makes the best use of available resources and within a short period, and it is measured through the following:

Efficiency = Actual Output / Actual Input

2 - Effectiveness indicator: Effectiveness indicates if the unit has achieved its pre-set goals by comparing the actual goals and the planned goals.

3 - Economic indicator: It refers to the relationship of cost to the benefit and the extent of the economic return of that cost and the use of project resources according to what is planned, that is, by rationalizing them at an appropriate level of quality.

There is a relationship between efficiency and effectiveness clearly and importantly for the economic unit, as it seeks efficiency in the use and utilization of available resources in a better way, especially in growing countries that are characterized by scarcity of their resources on the one hand, on the other hand, achieving and maximizing its goals, which leads to the need for performance to be linked to efficiency and effectiveness, as the unit could be efficient and practical at the same time, and it could be ineffective and fail to achieve its planned goals. However, it is efficient, it may be effective and successful in achieving its goals, but it is not efficient in using its resources in a better way, as the unit should follow a rational path and behavior and put decisions and orders in their right perspective (Ali, 2018: 111).

3 . Practical axis :

When aggregate accounting information between differentiated accounting systems, the information is transformed from one form to another. This shift in the form of accounting information leads to a change in the direction of the administrative decision in the economic unit represented by the financial, investment and operational decisions, and this compilation of the accounting information has a role in evaluating Administrative decisions through the financial analysis of the aggregate financial statements. On this basis, the practical side will address the following sub axes:

3.1: The impact of aggregate accounting information on managerial decision-making

3.1.1: The impact on administrative financing decisions

The impact of aggregate accounting information on the financial, administrative decisions of the economic unit through the particular decision is represented in (re-allocating the aggregate surplus of activities to the central financing budget for the subsequent period):

The aggregate accounting information according to the aggregate statement of current operations shows that it has provided important accounting information, which is the result of the aggregate performance of all activities of the unit for the year (2019), amounting to (1674339801) dinars, and shown in statement No. (4), As this information was missing according to the previous situation in preparing the financial statements independently, as it will impact the horizontal financing administrative decision in re-distributing this aggregate surplus for the current period (2019) on allocations to the expenses items for the activity of the morning studies funded centrally for the subsequent period (2020), especially since there are many common expenses items between the government accounting system and the unified accounting system, which would provide rationalization in spending the central and self-financed economic resources of the economic unit, and according to what was shown in statement No. (1):

Statement No. (1)
Budget of morning studies after the aggregate for the year 2019 and their administrative financing decisions

Account names	Coding of the government accounting system	The budget before reallocation for the subsequent period(2020)	Horizontal financial, administrative decision	Aggregate surplus for the year (2019)	*Ratio of internal efficiency in the exploitation of resources	Vertical financial, administrative decision	The budget after reallocation for the subsequent period (2020)	The ratio of external efficiency in the exploitation of resources
Salaries and wages	11	10803384988	Partially financed	1575236337	14.5 %	Partially financed	9228148651	85 %
Service expenses	21	60256799	Totally financed	60256799	100 %	Not financed	0	0
Commodity expenses	31	2610000	Totally financed	2610000	100 %	Not financed	0	0
Asset maintenance	41	26943665	Totally financed	26943665	100 %	Not financed	0	0
Capital expenditures	51	1643000	Totally financed	1643000	100 %	Not financed	0	0
Other expenses	61	7650000	Totally financed	7650000	100 %	Not financed	0	0
Total	-	10902488452	-	1674339801	15 %	-	9228148651	84 .5 %

*** Note : efficiency ratio = actual input / actual output**

The previous statement showed that the impact of the aggregate accounting information on the administrative financing decisions has taken two directions:
A - Horizontally impact of the financial administrative decision: this decision is the responsibility of the financial management within the economic unit, and here the college is the research sample, as this aggregate information impact the financing decision from the state's general budget through total financing in terms of service and commodity expenses, asset maintenance, capital expenditures and other expenses at a rate of (100%) of the total items before re-allocation, and the impact of the partial financing decision on the salaries and wages item, at a rate (14.5%) of the total item before reallocation, as this aggregate information of the surplus between activities contributed to reducing the budget for morning studies by (15%) of the total budget before reallocation, the decision was also made to partially finance the salaries and wages items, because the proposed model for research through it aims at dispensing with financing from the state's general budget and for all items except for the salaries and wages item, because of the vast amount the salaries and wages item and the inability to finance it in light of the current situation from the aggregate surplus from the activities of the economic unit, except in the case of creating investment activities within the economic unit capable of financing this item and then being completely self-sufficient.
B - Vertically impact of the financial, administrative decision: this decision is the responsibility of the financial management in the administrative formation, which is responsible for financing the administrative formations below it, and here is the presidency of the University of Baghdad, which is responsible for financing its colleges, where the aggregate information impact the decision to finance the College of Administration and Economics through the decision of partial financing of the salaries and wages item, at a rate of (85%) of the total item after reallocation, a decision was taken not to finance each of the items of service and commodity expenses, maintenance of assets, capital expenditures and

other expenses, as this aggregate information contributed to reducing the financing decision to a percentage (84.5%) of the total budget after reallocation. Thus, we conclude from the above that the self-financed activities can finance the expenses of their activities by 100% of their total expenditures, In addition to achieving aggregate cash surplus capable of financing all expenditures of the activity items financed centrally from the state's general budget for the subsequent year, at 100% of its total expenditures, except for the salaries and wages item for this activity.

3.1.2: The impact on administrative investment decisions

The impact of aggregate accounting information on the investment administrative decisions of the economic unit through the particular decision is represented in (the depreciation and replacement of fixed assets within the main financing activity):

In the first stage of the aggregate stages, the accounting information was transferred according to the government accounting system to the unified accounting system and the preparation of independent financial statements related to the activity, where the depreciation installment was calculated by the direct method on fixed assets, and because the depreciation expense was not recorded in the statement of current operations due to the nature of financing this activity from the state's general budget, it was proposed to create an account by the researcher according to the unified accounting system, and within the accounting guide for an account / current accounts receivable within the main economic unit 1631, this proposed account is called the (Debtors of depreciation of fixed assets 16311), as shown in statement No. (2):

Statement No. (2)
Centrally financed fixed assets and investment decisions

Account name	No. Accounting Manual	Fixed assets as-in 1/1/2019	Additions during 2019	balance of fixed assets as at 31/12/2019
Buildings, Constructions and Roads	112	2625559794	0	2625559794
Machinery and equipment	113	0	0	0
Transfer & transition	114	730826429	0	730826429
Equipments and Molds	115	438495857	0	438495857
Furniture and Office Equipment	116	1752340429	1643000	1753983429
Total	-	5547222509	1643000	5548865509

Account name	No. Accounting Manual	Debtors of depreciation of fixed assets as-in 1/1/2019	Depreciation rate	Debtors of depreciation of fixed assets during 2019	balance of debtors depreciation of fixed assets as at 31/12/2019
Debtors of depreciation buildings, constructions and roads	163112	787767938	3 %	78776793	866434732
Debtors of Machinery and equipment	163113	0	10 %	0	0
Debtors of depreciation Transfer & transition	163114	730826429	10 %	0	730826429
Debtors of depreciation Equipments and Molds	163115	438495857	20 %	0	438495857
Debtors of depreciation Furniture and Office Equipment	163116	1752340429	10 %	164300	1752504729
Total	-	3709330653	-	789311093	3788261747

***The calculation of accumulated depreciation from the 2008 fixed assets recognition year in the central financing accounts records.**

Account name	No. Accounting Manual	balance of fixed assets as at 31/12/2019	balance of debtors depreciation of fixed assets as at 31/12/2019	book value of the assets as at 31/12/2019	Investment administrative decision
Buildings, Constructions, and Roads	112	2625559794	866434732	1759125062	No purchase decision and no financing request
Machinery and equipment	113	0	0	0	0
Transfer & transition	114	730826429	730826429	0	Purchase decision and financing request
Equipments and Molds	115	438495857	438495857	0	Purchase decision and financing request
Furniture and Office Equipment	116	1753983429	1753983429	1478700	No purchase decision and no financing request
Total	-	5548865509	3788261747	1760603762	-

It is noticed from the two accounts (114) and (115) that they are in a state of complete depreciation. The sums accumulated for them in the proposed account (Debtors of depreciation of fixed assets) represent these amounts are (the point of making the internal investment decision to buy with the university presidency demanding that this account be financed by the amount of those sums accumulated at the end of the useful life of the fixed asset). when the external investment decision is made by the university presidency to finance the internal purchase decision for its subsidiary unit, the unit reflects those amounts as in the following accounting entry:

116932286 / Cash in banks 183

730826429 / Debtors of depreciation Transfer & transition 163114

438495857 / Debtors of depreciation Equipment and Molds 163115

3.2: The impact of aggregate accounting information on the comprehensive performance evaluation

The relative importance of the aggregate accounting information appearing in the financial statements between the activities is shown, for each of the aggregate statement of financial position and aggregate statement of current operations, which aims to show the relative importance of each item of the activity to the total items of the group activities, through which it provides analytical financial information that helps in evaluating the investment and financing decisions made, as shown in statements No. (3), (4), (5) and (6):

Statement (3)

College of Administration and Economics / University of Baghdad

The aggregate statement of financial position as of 12/31/2019

Account names	Coding				Total
	No. Accounting Manual	Activities			
		1	2	3	
Assets	1	-	-	-	-
fixed assets	11	29807603762	0	209997000	30017600762
Projects under implementation	12	0	0	1290000	1290000
Inventory	13	0	0	0	0
Paid Loans	14	0	0	0	0
Financial investments	15	0	0	0	0
Debtors	16	4031640221	355215365	310122625	469697821
Cash	18	7562275671.388	2794710346	1506568025.22	11863554042.5
Debit matching accounts	19	0	0	0	0
Total	-	41401519654.3	3149925711	202797650.22	46579423015.5
Equity and liabilities	2	-	-	-	-
Net assets as at 1/1	21	33785893206.5	1052562050	749413696.422	35587868952.9
Reserve	22	0	0	78049500	78049500
Allocations	23	0	0	32516997	32516997
Loans received	24	0	0	0	0
Creditor banks	25	0	0	0	0

Creditors	26	7523665000.79	1675515911	7466852.75	9206647764.54
Acount of current operations	28	91961447	421847750	1160530604.05	1674339801.05
Credit matching accounts	29	0	0	0	0
Total	-	41401519654,3	3149925711	202797650.22	46579423015.5

statement (4)

College of Administration and Economics / University of Baghdad

The aggregate statement of current operations as of 12/31/2019

Account names	Coding				Total
	No. Accounting Manual	Activities			
		1	2	3	
Current revenue activity	4	-	-	-	-
Revenue from commodity activity	41	0	0	0	0
Revenue from the business activity	42	0	0	0	0
Revenue from service activity	43	349219383	1659765000	1517116725.05	3526101108
Operating revenue for others	44	0	0	0	0
cost of locally manufactured materials	45	0	0	0	0
Benefits and land rents payable	46	0	0	0	0
Grant	47	0	0	0	0
Total revenues of current activity	-	349219383	1659765000	1517116725.05	3526101108
Deduct: current activity expenses	3	-	-	-	-
Salaries and wages	31	(10803384988)	(1163642215)	(256742007)	(12223769210)
Commodity expenses	32	(2610000)	(6955289)	(20308893)	(29874182)
Service expenses	33	(87200464)	(67319746)	(29928846)	(18449056)
Contracting and services	34	0	0	0	0
Purchases of goods and lands for sale	35	0	0	0	0
Interest expenses and land rental	36	0	0	0	0
Depreciation	37	0	0	(49606375)	(49606375)
Total of current	-	(10893195452)	(1237917250)	(356586121)	(124877698823)

Surplus (deficit) of current activity	**-**	**(10543976069)**	**421847750**	**1160530604**	**(1212635423)**
Added: Revenues outside of current activity	**-**	**-**	**-**	**-**	**-**
Transferred revenue	**48**	**10643587516**	**-**	**-**	**10643587516**
Other revenues	**49**	**0**	**0**	**0**	**0**
Deduct: expenses outside a current activity	**-**	**-**	**-**	**-**	**-**
Transfer expenses	**38**	**0**	**0**	**0**	**0**
Other expenses	**39**	**(7650000)**	**0**	**0**	**(7650000)**
Increase/decrease in revenues over expenses	**-**	**91961447**	**421847750**	**1160530604**	**1674339801**

It is noted that,f rom the total column of the aggregate statement of financial position No (3) and aggregate statement of current operations (4), there is an impact on the fundamental qualitative characteristics of accounting information, as the accounting information became more faithful representation by providing completeness information.

Statement (5)

College of Administration and Economics / University of Baghdad

Analysis of the aggregate Statement of financial position (Horizontal Comparative Sectoral Analysis) as at 12/31/2019

Account names	Coding				Total
	No. Accounting Manual	Activities			
		1	2	3	
Assets	1	-	-	-	-
fixed assets	11	99 %	0	1 %	100 %
Projects under implementation	12	0	0	100 %	100 %
Inventory	13	0	0	0	0
Paid Loans	14	0	0	0	0
Financial investments	15	0	0	0	0
Debtors	16	85 %	8 %	7 %	100 %
Cash	18	63 %	24 %	13 %	100 %
Debit matching accounts	19	0	0	0	0
Total	-	89 %	7 %	4 %	100 %
Equity and liabilities	2	-	-	-	-
Net assets as at 1/1	21	95 %	3 %	2 %	100 %
Reserve	22	0	0	100 %	100 %
Allocations	23	0	0	100 %	100 %
Loans received	24	0	0	0	0
Creditor banks	25	0	0	0	0
Creditors	26	82 %	18 %	1 %	100 %
Acount of current operations	28	5 %	25 %	70 %	100 %
Credit matching accounts	29	0	0	0	0
Total	-	89 %	7 %	4 %	100 %

Statement (6)
College of Administration and Economics / University of Baghdad
Analysis of the aggregate Statement of current operations (Horizontal Comparative Sectoral Analysis) as at 12/31/2019

Account names	Coding No. Accounting Manual	Activities			Total
		1	2	3	
Current revenue activity	4	-	-	-	-
Revenue from commodity activity	41	0	0	0	0
Revenue from the business activity	42	0	0	0	0
Revenue from service activity	43	9 %	47 %	44 %	100 %
Operating revenue for others	44	0	0	0	0
cost of locally manufactured materials	45	0	0	0	0
Benefits and land rents payable	46	0	0	0	0
Grant	47	0	0	0	0
Total revenues of current activity	-	9 %	47 %	44 %	100 %
Deduct: current activity expenses	3	-	-	-	-
Salaries and wages	31	(88 %)	(9 %)	(3 %)	(100 %)
Commodity expenses	32	(9 %)	(23 %)	(68 %)	(100 %)
Service expenses	33	(47 %)	(36 %)	(17 %)	(100 %)
Contracting and services	34	0	0	0	0
Purchases of goods and lands for sale	35	0	0	0	0
Interest expenses and land rental	36	0	0	0	0
Depreciation	37	0	0		
Total of current activity expenses	-	(87 %)	(10 %)	(3 %)	(100 %)
Surplus (deficit) of current activity	-	(87 %)	3 %	10 %	(100 %)
Added: Revenues outside of current activity	-	-	-	-	-
Transferred revenue	48	100 %	-	-	100 %
Other revenues	49	0	0	0	0
Deduct: expenses outside a current activity	-	-	-	-	-
Transfer expenses	38	0	0	0	0
Other expenses	39	(100 %)	0	0	(100 %)
Increase/decrease in revenues over expenses	-	5 %	25 %	70 %	100 %

It is noted that, from the classified columns of the aggregate statement of financial position No (5) and aggregate statement of current operations (6), there is an impact on the fundamental qualitative characteristics of accounting information, as the accounting information became more relevant by providing materiality of accounting information for each activity.

With regard to statement No. (5), the horizontal comparative financial analysis between the activities in the aggregate Statement of financial position shows the relative importance of each item of activities, where activity No. (1) showed that its items are of high relative importance compared to activities No. (2) and (3), especially in the item of assets, and this indicates the a huge of investment decisions in this item, as for statement No. (6), the horizontal comparative financial analysis of the aggregate statement of current operations showed the relative importance of each activity item, where it was found that activities (2) and (3) are of high relative importance compared to activity No. (1), especially in the service revenue item, which is the current activity revenue for the research sample, in addition to the item increasing revenues over expenses (net income), this indicates the a huge of financing decisions in diversifying sources of revenue in those activities, while we find each of the salaries, wages and transferred revenue in activity No. (1) of high relative importance compared to activities (2) and (3), which refers to the adoption of activity No. (1) on the state's general budget in financing decisions .

Thus, the central hypothesis of the study was proved, which states that there is an effect between the aggregate accounting information and administrative, financing, investment, and operational decisions, With the possibility of conducting an evaluation process for administrative decisions through the aggregate financial statements, By horizontal financial analysis and at the level of differentiated subsystems).

4 . Conclusions and recommendations

4 . 1 : Conclusions

Based on previous review of the theoretical and practical axes of this research, the researchers reached a number of conclusions. They are:

1.The aggregate accounting information gives a faithful representation of the economic unit that applies differentiated accounting systems.

2.The importance of the financial management system has made this system close to the top of the organizational structure of the economic unit represented by the General Manager, considering the sensitivity of the decisions of this system and the impact of these decisions on the rest of the economic unit's functions, which are production, marketing, and human resources.

3.There is a relationship between the accounting information system and the management information system through the similarity in the essential functions of these systems; in addition, the outputs of the accounting information system are the inputs to the management information system to make administrative decisions.

4.Financing decisions are the basis of decisions, as the rest of the decisions represented by investment and operational decisions are branched out from them.

5.When aggregate accounting information, the qualitative characteristics of accounting information change and become more beneficial to the decision-making, and a change occurs in the direction of the administrative decision inside and outside the governmental economic unit.

4 . 2 : Recommendations

The researchers recommend several recommendations. They are as follows :

1.Aggregating accounting information within the framework of the various economic units and at the government level as a whole and in a manner that includes all the government units (profit-oriented and non-profit units).

2.Adoption of statements (1) as a management decision model for investment administrative decisions, about replacing fixed assets in the activity financed centrally by the government, in the economic units that apply differentiated accounting systems.

3.Adoption of statements (2) as a management decision model for financing administrative decisions, in the activity financed centrally by the government, in the economic units that apply different accounting systems.

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المعلومات المحاسبية التجميعية وتأثيرها في اتخاذ القرارات الادارية (دراسة حالة)

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مستخلص البحث :
هدف البحث الرئيسي هو بيان تأثير المعلومات المحاسبية التجميعية في صناعة واتخاذ القرارات الادارية التمويلية والاستثمارية والتشغيلية ، وتقييم القوائم المالية بعد التجميع . وتتمثل مشكلة البحث الرئيسية في صناعة واتخاذ القرارات الادارية تتم في ظل انظمة محاسبية متباينة ومتفرقة تعمل داخل وحدة اقتصادية حكومية تسعى بنفس الوقت الى تحقيق رؤية واهداف موحدة للمنظمة . وتم اجراء البحث في كلية الادارة والاقتصاد / جامعة بغداد ، وتمثل عينة من مجتمع وحدات اقتصادية حكومية تطبق انظمة محاسبية متباينة . وتمثل منهج البحث باعتماد المنهج الوصفي في بيان تأثير المعلومات المحاسبية التجميعية في صناعة واتخاذ القرارات الادارية التي تستند الى الطرق العلمية والعقلانية . وقد خلص البحث الى اهم الاستنتاجات وهي عند تجميع المعلومات المحاسبية فان الخصائص النوعية للمعلومات المحاسبية تتغير وتصبح اكثر فائدة لمتخذ القرار وتحدث تغير في اتجاه القرار الاداري داخل وخارج الوحدة الاقتصادية الحكومية .

المصطلحات الرئيسة للبحث: المعلومات المحاسبية التجميعية ، اتخاذ القرارات ، قائمة المركز المالي التجميعية ، قائمة العمليات الجارية التجميعية ، تقييم الاداء .

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