Al-Qadisiyah Journal for Administrative and Economic Sciences ISSN$_{Online}$: 2312-9883
QJAE, Volume 25, Issue 3 (2023) ISSN$_{Print}$: 1816-9171

ACCOUNTING MEASUREMENT AND DISCLOSURE IN ACCORDANCE WITH THE REQUIREMENTS OF (IFRS9) TO ACTIVATE THE MECHANISMS OF CORPORATE GOVERNANCE /AN APPLIED STUDY

Qassem Muhammad Abdullah Al-Baaj
Shaima Muhammad Khattar Al-Husseini
Al-Qadisiyah University - College of Administration and Economics
Corresponding Author : Shaima Muhammad Khattar Al-Husseini

Abstract : The purpose of the current research is to activate the mechanisms of corporate governance based on accounting measurement and disclosure in accordance with the requirements of (IFRS 9), and to achieve this goal, the research adopted the Iraq Stock Exchange by focusing on the banking sector by (10) banks and for (4) years (National Bank, Bank The Islamic South, the Iraqi Credit Bank, the Bank of Asia in Iraq, the Iraqi Union Bank, the Middle East Bank, the Bank of Baghdad, the Mansour Bank, the Sumer Bank, the Elaf Bank), and accordingly it was relied on (the volume of investments, loans, capital adequacy, and the value of expected losses) , And to analyze the results, the (Excel) package was adopted, and as a result, the results showed that the International Financial Reporting Standard 9 provides detailed instructions for preparing financial reports, including measuring and disclosing financial assets, liabilities, and equity, through accurate measurement and disclosure in a timely manner. and financial liabilities, IFRS 9 helps to enhance transparency and accountability in corporate governance. In addition, the standard makes it easier to evaluate the performance of companies, allowing for more informed decisions.

Key words: accounting measurement, accounting disclosure, IFRS9 financial reporting standard, corporate governance.

INTRODUCTION: As a result of the economic openness of Iraq after the year 2003 and the developments in the country with regard to foreign and local investment, the need for accounting measurement and disclosure that is compatible with the nature of business and international accounting standards has emerged in accordance with the requirements of (IFRS 9) adopted by most international companies and international banks based on the principles of international accounting standards And since the banking sector is one of the fastest economic sectors in dealing with many different cases, and therefore accounting measurement and disclosure according to the requirements of (IFRS 9) to activate the mechanisms of corporate governance, and that the philosophy of this standard lies in rationalizing the accounting provisions related to accounting measurement and disclosure in a way that contributes to Activating corporate governance mechanisms by the accounting units used to prepare financial reports because the administration reduces risks through financial reports that are prepared by banks by the study sample.

And due to the presence of many problems related to measurement and accounting disclosure in Iraqi banks, this matter requires the application of the standard (IFRS) in Iraqi banks to achieve the mechanisms of corporate governance in the banks of the same study, and this in turn contributes to protecting the assets and liabilities of the financial units of Iraqi banks from exposure to various risks potential, as the important reasons for the occurrence of a major collapse in the economic units is the failure to apply accounting principles as well as a lack of disclosure and transparency and not showing the real information and data that express the financial position of these economic units.

On the other hand, the importance of International Financial Reporting Standards (IFRS) has increased during the previous years as a result of the criticisms that were directed largely towards Accounting Standard No. Financial markets, so the International Accounting Board (IASB) issued International Financial Reporting Standard No. (9) for the classification and measurement of financial instruments, as a replacement for International Accounting Standard No. (39), as it issued the final draft of the standard, which will bear significant amendments that will have a positive impact in addressing The previous criticisms, therefore, governance is one of the modern administrative topics that have been widespread in all organizations, especially at the beginning of the twenty-first century, and the application of corporate governance is the way out and an effective solution to guarantee the rights of stakeholders within the company.

The first topic: research methodology

First: the research problem

Measurement and disclosure issues represent one of the major functions of accounting to determine the impact of accounting measurement and disclosure on improving the efficiency and quality of accounting information and data in public companies' financial statements. Furthermore, the lack of accounting disclosures hampers the effective application of corporate governance in Iraqi banks, the study sample. Many companies ignore the importance of governance, and failure to enforce governance rules has resulted in a large amount of financial information being directly or indirectly withheld, which has had an impact on the company's financial status. Therefore, the research problem lies in answering the following questions:

1. Does accounting measurement and disclosure in accordance with the requirements of (IFRS9) reduce the contemporary challenges of lack of quality in accounting information?
2. Does adopting (IFRS9) guarantee an adequate level of accounting disclosure to the various beneficiaries?
3. Does governance affect the level of measurement and disclosure in joint stock companies?
4. Is there an effective role played by accounting measurement and disclosure according to (IFRS9) to activate the mechanisms of corporate governance?

Second: Research objectives

The research aims to highlight the importance of accounting measurement and disclosure in accordance with the requirements of (IFRS9) to activate the mechanisms of corporate governance. A number of the following sub-goals branch out from this main objective:

1. Learn about accounting measurement and disclosure according to (IFRS9).
2. Standing on the availability of accounting disclosure in the financial statements from the point of view of the beneficiaries.
3. Statement of the importance, development and factors influencing accounting disclosure.
4. Highlighting the requirements of the standard (IFRS9) in Iraqi commercial banks.
5. Statement of the importance, objectives and pillars of accounting measurement.
6. Knowledge of the relationship between accounting measurement and disclosure and the effective application of governance in Iraqi commercial banks, the research sample.
7. Discusses IFRS (Financial Instruments) and the main reasons for their emergence.
8. Ensure that a good corporate governance system reduces the risk of financial default in Iraqi banks.

Third: importance of research

The importance of research comes in terms of dealing with a contemporary topic, which is measurement and accounting disclosure according to the requirements of (IFRS9) to activate the mechanisms of corporate governance, as the importance of the topic can be summarized as follows:

1. The research derives its importance from the growing interest in the requirements of the standard (IFRS9) Financial Instruments.
2. The importance of accounting measurement and disclosure in communicating financial data and information to its users.
3. The great importance of measurement in scientific research because it is the best way to understand the thing or event to be measured for users in making rational decisions.
4. The importance of effective governance in assisting enterprises in increasing the flow of funds and attracting investment.

Fourth: Research Hypotheses:

Based on the above research problem, the following hypotheses can be formulated:

The first hypothesis: that accounting measurement and disclosure according to (IFRS9) reduces the contemporary challenges of lack of quality in accounting information.

The second hypothesis: that the adoption of the (IFRS9) standard in the Iraqi commercial banks, the research sample, would enhance a sufficient level of measurement and disclosure to the various beneficiaries.

The third hypothesis: the possibility of applying the standard (IFRS9) in the Iraqi commercial banks linked to the provision of material and human capabilities.

The fourth hypothesis: There is an effective role played by measurement and disclosure according to the standard (IFRS9) for financial instruments to activate the mechanisms of corporate governance.

Fifth: the research community and sample

The research community and sample is represented by all Iraqi commercial banks listed in the Iraq Stock Exchange, which number (42) banks.

As for the research sample, it is the information and data of the Iraqi commercial banks listed in the Iraq Stock Exchange, which includes (10) banks out of (42) banks. Financial approvals must be obtained from the banks of the research sample.

Sixth: The default search form:

In light of the problem and in order to achieve the objectives of the research, the researcher built a proposed hypothetical model to diagnose the possibility of studying the relationship based on two variables:

(IFRS9) **The independent variable:** accounting measurement and disclosure according to the requirements of the standard

Dependent variable: to activate corporate governance mechanisms.

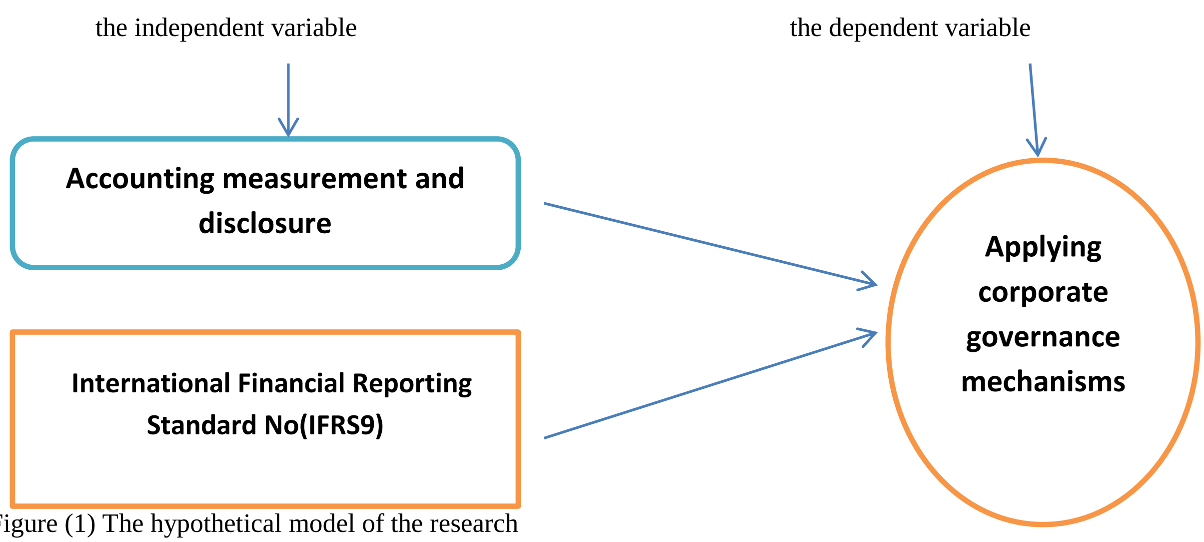

Figure (1) The hypothetical model of the research

The second topic: the theoretical side

First: accounting measurement

1. The concept of accounting measurement

Researchers in the various fields of measurement have presented multiple definitions of the measurement process, and despite their difference in form, they agree in content (Khalid, 2016: 39), The first concrete scientific definition of the process of general measurement is due to Campbell, who considered general measurement by relating numbers to things in order to express their properties, according to the laws of nature discovered directly or indirectly (Sweed, 2012: 12). The idea that accounting measurement is necessary to understand effective systems of production (Andreicovici et al., 2020:6).

Measurement is defined as a similar process by which a particular characteristic, a multi-currency attribute of a particular thing or economic event, is associated with a particular element, an economic item, of a particular domain, while the Financial Accounting Standards Board (FASB) defines accounting measurement Seen as the numerical assignment of things or events according to specific rules, a comparison process aimed at obtaining accurate information to be able to distinguish alternatives in decision making (Omar and Ali, 2022: 689).

Accounting measurement The process of accounting measurement of environmental costs is a modern method that institutions resort to, either voluntarily or imposed on them by the force of law, according to the type of company or according to the legislation of the country in which it is active in order to preserve its environment and bear the obstacles of its activity. It relies on a set of accounting methods, approaches and procedures to analyze and record environmental events (Hafsa and Farhat, 2017: 901).

The accounting measurement has been defined by many researchers with different definitions, but the meaning remains the same, and the American Accountants Association (AAA) has defined it as follows: The accounting measurement is represented in linking the numbers with the establishment's past, current and future events, based on past or current observations and according to specific rules (Jalali et al. 2020: 25).

The concept of accounting measurement of assets and liabilities is a major issue in financial accounting (Soetedjo, 2022:344).

In the same context, the International Accounting Standards Board (IASB) defined, according to its conceptual framework, "as the process of determining the monetary values of the elements in the financial statements that are recognized and appearing in the statement of financial position and the income statement." Where this definition refers to the need to determine the values related to the basic elements included in the lists Finance, to be expressed in monetary terms (Muhammad, 2018125:).

Accounting measurement is defined as the process of determining the monetary values of items or events that are recognized and displayed in the unit's financial reports.

Accounting measurement represents a mechanism whereby experienced and accurate accountant auditors provide more information related to the book value of the assets of the organization in order to provide investors with this useful information to make the best decisions, in addition to this, accounting measurement encourages workers to take responsibility for the current value and the fair value reflected On the financial statements themselves in order to make improvements to these financial statements and make them more useful than before (Cheng & Tang, 2016:311). (de Oliveira & Silva, 2022:373) believes that accounting measurement is a relevant process in generating accounting information and must be covered by adequate and concise standards to ensure the allocation of the best possible measurement.

Accounting measurement is defined as a theoretical property that applies to an analytical framework that is dynamic in nature and uncertain (Botafogo, 2017:50). Accounting measurement is defined as "a method of defining standards to express their properties in terms of directly or indirectly discovered laws of nature." Measurement is an important part of scientific research. Without them, it is impossible to check the validity of assumptions and results. On the other hand, measurement is one of the basic functions of accounting. Therefore, accounting information is especially important in the financial world. This may be confirmed by the fact that much accounting research is viewed as measuring the underlying scientific assumptions of accounting. Traditionally, accounting measurements have been designed to determine the numerical value of things or events for the company, and these values have been determined to apply to all (such as the sum of asset values), or, if any, to the specific circumstances required, but Measurement also includes the process of termination and distribution (Khalaf et al., 2022:75).

The researchers believe that the definition of accounting measurement developed by the American Accounting Association is considered an appropriate definition compared with other definitions, because accounting measurement models should not be limited to tracking past and present economic phenomena, but should be able to track past, present and future economic phenomena.

2. The pillars of the accounting measurement process

The pillars of the accounting measurement process are as follows:

A- The characteristic subject of measurement (the thing to be measured): The establishment is considered to be the field of measurement. The measurement process may focus on the production capacity of the establishment, as it may focus on another characteristic, such as the monetary multiplicity of a specific economic event, such as sales in the establishment.

b- Appropriate measurement for the characteristic subject of measurement: the choice of the type of measurement depends on the characteristic subject of measurement. The productive capacity is measured by the number of units produced per hour. As for the monetary multiplicity feature, the measurement used in it is a measure of value (Khaled, 2016: 40).

C- Determining the appropriate and distinctive unit of measurement for the subject of measurement: If the objective of the subject of measurement is quantitative measurement, then the matter may not be limited to determining the appropriate measurement only, but also to determine the type of the distinctive measurement unit as well.

D- Determining the person carrying out the measurement process plays a major role in choosing the methods of the measurement process, as well as determining its results in the absence of subjective measures (Rabeh and Saleh, 2016: 43) (Tokuga et al., 2013: 388).

Second: Accounting disclosure

1. The concept of accounting disclosure

Linguistic disclosure is exposure and enlightenment, as the saying goes: to expose the state of affairs is to expose and expose. The term "disclosure" is used in accounting to denote the process of presenting and providing required information about a business entity to parties having a current or future interest in those business entities. Financial disclosure is defined as "the expression of information necessary for the optimal functioning of efficient capital markets." It is believed that sufficient information must be provided to predict the pattern of future distributions and the variability of future returns (Khalaf et al., 2022:76).

Disclosure was defined in general as: “The transmission of knowledge or the transfer of information from the source of its production to a stable benefit or use of it. Disclosure is a transfer aimed at transferring information from those who know it to those who do not know it. The financial statements or in the margins, notes and tables supplemented in a timely manner, which makes the financial statements not misleading and suitable for users of the financial statements from external parties that have the authority to view the books and records of the company” (Reda et al., 2018: 33-34).

Traditional accounting disclosures do not fully reflect a factory's practices and the environmental impact of its various activities, while information about the activities a factory undertakes as part of its environmental responsibility has become the basis. Strategies and programs are developed to promote environmental protection and sustainability. Accounting disclosures reflect the needs of investors for environmental information to address the shortcomings of traditional disclosures in meeting these needs. As a result, legislatures and professional organizations in many countries around the world are vigorously enacting laws mandating the disclosure of such information (Bourekkadi et al., 2021:3).

Accounting disclosure is the effort to provide accounting information, a professional function usually performed by accountants. Financial disclosure is important to all stakeholders as it provides them with the information they need to reduce uncertainty and help them make appropriate economic and financial decisions. The data provided to companies for reporting is critical to economic stability and to promoting sustainable levels of high-quality investment by companies. This is achieved by preparing financial reports (Al-Tahat, 2015:6).

Accounting disclosures include financial reports that contain all the necessary information to provide users of these reports with a clear and correct picture about the accounting entity. In other words, accounting disclosure is the provision of accounting information and its timely disclosure in the form of schedules or financial reports with full clarity of policy so that appropriate decisions can be made based on that information (Al-Saeed, 2018: 3).

Financial disclosure is defined as the voluntary or deliberate disclosure through informal channels of financial (and non-financial) information, whether numerical or quantitative. Companies disclose information in a variety of ways, such as: annual reports, conference calls, analyst briefings, investor relations, interim reports, use of leads, press releases, etc. A company's annual report is a very important official disclosure tool, although it is not sufficient in the context of capital markets. When determining information, the report argues that it is common practice for companies to provide information that is significant enough to influence the judgment and decisions of informed users. The concept of disclosure therefore refers to a method that can be used for communication between the financial authority responsible for accounting measurement and the users of this information, using special tools for this purpose, representing financial reports and accounts. Disclosure restrictions vary according to the three concepts mentioned: fair disclosure, full disclosure, and fair disclosure. The support of these two concepts depends on the needs of users, followed by the efficiency of the accounting information system in terms of measurement and generation. accounting information. The concept of disclosure is considered to be the dividing line and basis for the implementation of accounting information systems, which can balance the requirements of accounting valuation on the one hand and the needs of users on valuation results on the other hand (Alsalim et al., 2016:218).

Accounting disclosure is also seen as “it is to show accounting information that is useful and sufficient through financial reports that depict economic and financial events and their related impacts on the decision-making process, as these reports provide the necessary and important information for their users when making an investment or financing decision” (Al-Khleifawi, 2022: 32).

2. The importance of accounting disclosure

There are many methods for disclosing financial information and presenting the effects of economic events in the financial statements or notes. The use of any of these methods depends on the nature, quality and importance of the information, as some information is considered essential and must be presented in an essential element. For annual financial statements, additional information must be disclosed in the notes to the annual financial statements. In this process, the ability to process, transmit, disseminate and communicate information to different users is one of the most important things to pay attention to, because the principle of transparency and disclosure is considered one of the most important pillars of a free economy. In modern times, companies provide Information and data related to its activities and making them available to shareholders, shareholders and traders in the market and providing opportunities for those who wish to consult them to consult information, rather than withholding information, except from those who would harm the company interests, it can be kept confidential for them, provided that the information reflects the actual and realistic situation of the company (Hanan, 2015: 57).

Disclosure is the result of the separation of ownership from management, as there are many and varied parties that have current and future interests in these entities and who need information to help them in making various decisions, so that it is not expected that this will be done through direct access to records and books to obtain the required information, and therefore The importance of disclosure lies in the fact that it provides various information about the entity, which reduces ambiguity among users in order to help make rational decisions. Referring to the disclosure in (Sumaya, 2016: 74):

First: Reducing the risk of capital financiers so that they can evaluate the expected return of all investment opportunities against the risks associated with those opportunities.

Second: Informing individuals and groups whose activities and operations of the entity affect their lives and standard of living in order to enable them to influence the actions of the entity if they wish to do so after reviewing the disclosure of the financial statements.

Accordingly, accounting disclosure is not an end that we aim to reach just because the accounting disclosure process takes place in itself, but rather it is a means to disseminate and present information and data related to the activities of the economic unit to the beneficiary parties at the specified time (Shukor at el, 2011:58).

The importance of accounting disclosure is to provide necessary information to help users of financial statements to make correct decisions, as it achieves the following advantages:

First - It contributes to determining the appropriate share prices in the financial markets, as disclosure leads to reducing uncertainty with regard to investment, and the willingness of savers to offer their money to investors, as the information is available and accessible to everyone without bias.

Second - Disclosure of information on a regular basis works to reduce information asymmetry, which is exploited by the parties within the organization to achieve extraordinary gains (Saleh, 2020: 3).

Third - works to assist users of accounting information in the optimal use of economic resources by taking the appropriate decision.

Fourth - It helps the administration to show the facility's contribution to providing services to all and its social responsibility towards society as a whole. . Providing transparent and informative information about money market (money) dealers and their transactions is essential to achieving an orderly WCP market and is also one of the essential prerequisites for money market discipline. (Maamari et al., 2018: 29).

Third: Financial Reporting Standard (IFRS9)

1. Concept of Financial Reporting Standard (IFRS9)

A standard is a consensus document issued by a recognized body that establishes rules, guidelines or characteristics for a general and reusable activity or its outcome in order to achieve an optimal level of regularity in a particular field of activity. IFRS is a set of standards that form the basis for preparing financial statements. For companies, the

standard defines the items that must be recognized as assets, liabilities, revenue and expenses and explains how the value of these items is determined, how they are presented in the financial statements and how these items are presented in the notes (Abdul Sada, 2020: 32).
Accounting standards are defined as "common models or guidelines leading to the harmonization and simplification of accounting and auditing practice". According to "An accounting standard is a model, measure or principle designed to provide a basis for identifying, measuring and disclosing elements of financial statements and the effects of transactions, events and conditions on financial condition. Defined by companies and their operating performance. He noted that the primary purpose of accounting standards is to facilitate the accounting process and increase acceptance among accounting professionals of standard accounting valuation and disclosure practices (Hamdan & Ahmed, 2019:277).
The International Financial Reporting Standards are accounting interpretations issued by the International Accounting Committee to provide high-quality, transparent and comparable information for financial statements and other financial reports to help investors in global financial markets and users of financial information make economic decisions. decision making (Baqqas et al., 2018: 7) .
The Board began gradually issuing International Financial Reporting Standards (IFRS) to replace the International Accounting Standards (IAS) with its new name, and therefore the old name, which is the International Accounting Standards (IAS), will gradually disappear from the accounting literature to be replaced by the International Financial Reporting Standards (IFRS) with new versions and possible amendments to the International Accounting Standards And the change from IAS to IFRS reflects the desire of IASB to expand its scope of activity to financial information in general (Ben Rahmon, 2019: 71-72).

2. Purpose and Scope of the Financial Reporting Standard (IFRS9)

The objective of this standard is to establish financial reporting principles for financial assets and financial liabilities that provide users of financial statements with reasonable and useful information to assess the amount, timing and uncertainty of an entity's future cash flows (Hamidat, 2019: 487).
This standard referred to the measurement of interest rate risk, credit risk, default risk, foreign currency risk, asset-related performance risk, inflation risk and expected credit losses.
The standard defines asset-related performance risk as the risk that an asset or group of assets will underperform or not perform at all..
In the same context, expected credit loss is defined as a weighted probability estimate of credit loss, H. as the present value of all liquidity bottlenecks. The standard mentions two ways of measuring these risks expressed as the probability of default multiplied by the credit risk of default and multiplied by the percentage loss given default.
The second method is a practical method called the provision matrix, which relies on fixed rates for the provision, which depends on the number of days in which the amounts due for collection are overdue, and these rates are (1%) if they are not past due, and (2%) if they are overdue. The due date for a period of less than 30 days, and (3%) if the due date is more than 30 days and less than 90 days, and (20%) if the due date is from 90-180 days (Abdul Sada, 2020: 41).

1. The scope of the standard lies in:

a. All entities shall apply this standard to all types of financial instruments with the exception of some
Reports defined by the standard.

B. The landing requirements in this standard shall apply to those rights which
IFRS 15 specifies that it should be accounted for in accordance with this
The criterion is for the purposes of proving relegation gains or losses.

T. The following loan covenants fall within the scope of this standard:

1_ Loan agreements that entities designate as financial liabilities at fair value through profit or loss Entities that have a history of selling assets under loan agreements must apply this standard to all of their similar loan agreements.

2- Loan commitments that can be settled in net cash or by delivery or issuance of other financial instruments. These warranties are derivative. Loan pledges cannot be considered netting simply because the loan is amortized (for example, a construction loan secured by a mortgage is amortized as construction progresses)..

3- Undertakings to provide a loan at an interest rate lower than the market. (Saudi Organization for Auditors and Accountants, 2021: 389).

T. This standard applies to the financial assets and financial liabilities of insurance companies, except for the rights and obligations under contracts, which exclude.

w. This Code applies to contracts for goods in which both parties have rights

Settlement in cash or financial instruments, except for commodity contracts:

1- Entered and invested in meeting the expected purchase, sale or use requirements.

2- It was intended for that purpose when it was created.

3- It is expected to be settled through delivery (Al-Amiri, 2021: 170).

a. This standard applies to contracts for the sale and purchase of non-financial items that may be settled in cash or other financial instruments on a net basis, or as financial instruments by exchanging financial instruments, except contracts that retain the receipt or delivery of non-financial items based on the anticipated needs of the entity. for purchase, sale or use. However, the standard applies to contracts where entities are classified as measured at fair value through profit or loss (Saptono & Khozen, 2021:630).

B. A contract to buy or sell a non-financial item that can be settled without cash or another financial instrument, or to exchange a financial instrument, can be irrevocably described as if the contract were a financial instrument at fair value through profit or loss The same is true if the contract is entered into to acquire or deliver a non-financial item in anticipation of the entity's purchase, sale or use. This designation is only provided at contract inception, and only if it eliminates or significantly reduces evidentiary inconsistencies (sometimes referred to as "accounting asymmetries") that would otherwise arise from non-recognition. contract, as it is excluded from the scope of this standard (SAUDI For auditors and accountants, 2022: 318).

Fourth: corporate governance

1. The concept of corporate governance

The word governance is derived from the Greek verb (Kubernao), which means directing, and Plato used it for the first time in a figurative sense, then it moved to Latin and used the word (steering) to express it, which means manages or directs. Except for a brief translation of the term (Corporate Governance), and the scientific definition of these terms means the method of exercising the powers of good governance (Abdel-Fattah, 2015: 4; Fattah and Aboudi, 2021: 225).

Governance requires the existence of accountability, political and administrative accountability for public officials, institutions, civil society and private sector officials, and the ability to hold accountable those responsible for the management of public resources (Ogieh & Jeroh, 2022:56).

The commitment of states to the governance methodology has become very important because it entails the integration of the roles of government and private administration and civil society institutions through participation in redrawing the roles of each of them in order to achieve development. Existing institutions of participation on a large scale around the world based on the perception that representative democracy is unable to own the functioning of the state that it was necessary to enable citizens to exercise their voice and vote in public squares and improve the use of scarce public resources societal (Al-Taie and Raouf, 2019: 70) .

Corporate governance represents the set of mechanisms, procedures, laws, institutions and decisions that ensure fairness, discipline and transparency, thereby aiming at quality and excellence by activating the actions of the management of economic units (Ezz El-Din and Hussein, 2019: 238).

Considers corporate governance as a set of procedures that regulate the behavior of a company and create a balance among the various positions of stakeholders, ultimately leading to increased efficiency and profitability of the company (Bin Hagshah, 2022:1)

Corporate governance is also understood as the rules governing and directing a company, including mechanisms to regulate the various relationships between the board of directors, executives, shareholders and stakeholders by establishing specific procedures to facilitate the decision-making process as well as transparency and credibility to protect shareholders and the rights of stakeholders to achieve fairness, competition and transparency. in the market and business environment (Saudi Capital Market Authority, 2022: 4).

(Kamal & Begum, 2018:15) defines corporate governance as representing the mechanism, process, and relationships through which companies are controlled and directed, and thus includes the process by which the company's objectives are defined and pursued in the context of the social, regulatory, and market environment.

Corporate governance is defined as a system of rules, practices, and processes with the operations of an organization directed and controlled by the expectations of stakeholders. Shareholders usually appoint the board of directors which is the ultimate governing body of the company (Jauhiainen, 2021:15).

2. The importance of corporate governance

The importance of corporate governance lies in the failure of many companies, whether at the financial or administrative level in many countries of the world. Their personal interest is at the expense of the interest of the shareholders and everyone who has interests in these companies is reflected negatively on economic production and advancement for the better and the collapse of that company or institution and the decline of investors and shareholders. Particular attention should be given to the creation of institutions and political and economic legislation that are tailored to the specific needs of each country and that give corporations some power. As a result, it pushes the wheel of the economy towards the best and stability for that country in general through companies and for all workers and shareholders (Haido, 2020: 251).

Corporate governance emphasizes the development of practices that facilitate the economic prosperity of companies now and in the future (Savva,2022:14 ; Al-Marri,2021:28), as well as being rooted in corporate laws at a general level (Adeniyi-Akintola,2021:19 Accordingly, the importance of corporate governance can be formulated in the following points:

a- Ensure that the Board of Directors does not abuse its powers to harm the interests of shareholders.

b- Obtaining financial statements for companies that are characterized by a high degree of transparency and disclosure.

C- Integrity, impartiality and uprightness of all employees of the company.

d- Ensure the independence and integrity of the auditors and that they are not subjected to pressure from the Board management or executives.

C- Governance has a significant impact on attracting local and foreign investors and increasing financing Companies and the possibility of expanding their activities at low costs (Ali, 2021: 248).

H- Reducing the risks related to financial and administrative corruption faced by companies and countries.

G - Raising the level of performance of companies and the consequent advancing the wheel of development and economic advancement countries to which these companies belong.

D- Attracting foreign investments and encouraging local capital to invest in projects national.

D- Protecting the rights of shareholders and other stakeholders from the possible collusion of major shareholders With management to achieve their personal interests without regard to the interests of others.

T - The request of international investment institutions to provide a level of governance to direct investments (Izz al-Din and Hussein, 2019: 239-240).

The third topic: the practical side of the research

First: Measuring the extent to which the research sample banks adhere to the accounting measurement and disclosure requirements according to the (IFRS9) standard

The results of table (1) indicate the calculation of the expected credit loss for the study sample banks within (4) years to distribute the quantitative impact resulting from the application of the standard, as these classifications were subject to a study of market variables, and these variables in the unstable environment of Iraq give an insufficient picture about the credit loss of the customer Which requires a clear identification of the variables for a more accurate classification.

Table (1) Calculating the expected credit loss for the research sample banks

Bank name	2019	2020	2021	2022
National Bank	10494966	482906360	198624251	120484349

The Islamic South	65910527472	5683681946	3476912946	710576483
Iraqi Credit Bank	101573564	5888725	79991735	667552190
Bank of Asia Iraq	5973062562	3198407361	4375801421	12530108717
Union Bank of Iraq	8610562140	51438126	1721028304	5888391367
Middle East Bank	97658260935	456031414	20760190574	97841517
Bank of Baghdad	8913791794	231947024	7726990173	135537404
Mansour Bank	459144194	4568262828	5778859894	1493788253
Sumer Bank	85200511661	749988259	236534598	130032912
Elaf Bank	263040930	587558827	3554291461	2654291461

Source: Prepared by the researcher

Second: Measuring indicators of corporate governance mechanisms

A- Dividing the board of directors on the basis of loans

It is measured by the amount of loans that the bank grants during the school years. The higher the loan ratio, the lower the interest rate, which affects personal loans.

Table (2) the amount of loans granted to the banks of the research sample during the research years

Name of the bank	Loans (billion dinars)	Relative importance	order of relative importance
National Bank	36822147183	0.017	4
the Islamic south	3554357822	0.002	7
Iraqi Credit Bank	629030298	0.000	8
Bank of Asia Iraq	632227946473	0.294	2
Iraqi Union Bank	954402896572	0.444	1
Middle East Bank	488303365489	0.227	3
Baghdad Bank	764842975	0.000	9
Mansour Bank	7270064822	0.003	6
Sumer Bank	671879155	0.000	10
Elaf Bank	26758749334	0.012	5
the total	2151405280123		
average	215140528012		

The results presented in Table (2) showed that the Union Bank of Iraq topped with a relative importance of (0.444) and a total bank loan of (954402896572). The results also showed that the Sumer Bank was low in granting loans to investors by a somewhat non-existent percentage (0.000) and with a value of loans amounting to (671879155). .

b- Transparency and disclosure

Disclosure is the process of disclosing material information (financial and non-financial) of interest to investors, stakeholders and stakeholders. Disclosures are made periodically (for a specific fiscal period) or immediately as they occur so that all affected parties have information at the same time. lest one party take advantage of the information before the other.

Table (3) the size of the investment volume of the research sample banks during the research years

Name of the bank	Investments (billion)	Relative importance	order of relative importance
National Bank	188014060712	0.051	6

the Islamic south	467429949759	0.127	3
Iraqi Credit Bank	322585953230	0.087	4
Bank of Asia Iraq	199074718701	0.054	5
Iraqi Union Bank	11213353633	0.003	8
Middle East Bank	937489785	0.000	9
Baghdad Bank	894462000452	0.242	2
Mansour Bank	1449820291777	0.393	1
Sumer Bank	156750093421	0.042	7
Elaf Bank	209090501	0.000	10
the total	3690497001971		
average	369049700197		

The results in Table (3) showed that Al-Mansour Bank topped with a relative importance of (0.393) and a total of (1449820291777) bank investments. The results also showed a decline in Elaf Bank in granting investments to investors by a rather non-existent percentage (0.000) and with a value of loans of (209090501).

d- Capital adequacy

Capital adequacy indicators are among the international standards for measuring the degree of credit risk and are used to protect depositors and enhance the stability and efficiency of financial systems.

Table (4) the amount of capital adequacy of the research sample banks during the research years

Name of the bank	Investments (billion)	capital adequacy %	order of relative importance
National Bank	238.91	0.053	9
the Islamic south	365.23	0.081	6
Iraqi Credit Bank	455.80	0.101	4
Bank of Asia Iraq	215.00	0.048	10
Iraqi Union Bank	324.00	0.072	7
Middle East Bank	251.00	0.056	8
Baghdad Bank	657.52	0.146	3
Mansour Bank	834.15	0.185	1
Sumer Bank	735.02	0.163	2
Elaf Bank	438.21	0.097	5
the total	4514.84		
average	451.48		

The results contained in the table (4) showed the leadership of Mansour Bank with a relative importance of (0.185) and the total banking capital adequacy (834.15), and the results showed a decrease in the Asian Bank of Iraq in granting investments to investors by a somewhat non-existent percentage (0.048) and the value of loans of (215.00).

The fourth topic: conclusions and recommendations

First: conclusions

1. The results showed that IFRS 9 provides detailed guidance for preparing financial reports, including measuring and disclosing financial assets, liabilities, and equity. Through timely and accurate measurement and disclosure of financial assets and liabilities, IFRS 9 helps to Enhancing transparency and accountability in corporate governance. In addition, the standard makes it easier to evaluate the performance of companies, allowing for more informed decisions.

2. The results showed that accounting measurement and disclosure in accordance with the requirements of (International Financial Reporting Standard 9) are important to ensure the proper functioning of corporate governance mechanisms, and the principles of International Financial Reporting Standard No. 9 provide a comprehensive framework for measuring and disclosing the various financial instruments used by companies.

3. The results showed the banks' interest in ensuring that the management and the board of directors are aware of the potential effects of their decisions, which contributes to providing investors and other stakeholders with a more detailed view of the company's financial position.
4. The interest of the surveyed banks in providing important information to shareholders and other stakeholders that they need to make informed decisions, in order to ensure the satisfaction and loyalty of customers.
5. Banks focus on adhering to financial reporting standards in accordance with (IFRS9) in order to ensure access to reliable and accurate financial information, and to ensure enhanced ability to collect, measure and report financial information in a timely manner, allowing companies to respond quickly to any changes in the external environment and take action corrective as necessary.

Second: Recommendations

1. The need to use accounting measurement and disclosure in accordance with the requirements of (IFRS 9) on corporate governance mechanisms, in order to ensure smooth operations and effective corporate governance.
2. The need to measure and disclose financial statements accurately and in a timely manner, which requires the application of International Financial Reporting Standard No. 9, which is an international standard for preparing financial reports determined by the International Accounting Standards Board.
3. The need to use International Financial Reporting Standard 9 in order to ensure that investors are protected from potential risks by providing clear guidance on how to measure fair values and identify declines, which helps reduce the possibility of unexpected losses for investors.
4. The need to focus on preparing and presenting financial statements correctly in accordance with generally accepted accounting principles, which requires ensuring that the risks and benefits of financial instruments are accurately represented in the financial statements, since this transparency is necessary for the proper operation of corporate governance mechanisms.
5. The need to strengthen the principles of IFRS 9 to provide greater accountability in the process of preparing financial reports, which requires providing detailed information about its financial instruments and the risks and rewards associated with them

References :

1. Baqas, Muhammad, Maarouf, Aoun, and Al-Tijani, Al-Bashir, 2018, The Role of International Accounting Standards and International Financial Reporting Standards in Enhancing Accounting Disclosure, Master Thesis, Martyr Hama Lakhdar University in Al-Wadi, Faculty of Economic, Commercial and Management Sciences.
2. Benrahmoun, Selim, 2019, The Impact of Accounting Disclosure on the Quality of Investment Decisions: A Case Study of a Group of Algerian Economic Institutions, PhD thesis, University of Mohamed Kheidar Biskra, Faculty of Economic, Commercial and Management Sciences.
3. Jalali, Barira, Daqashi, Sumaya, Faiza, Safaa Wasif, Qani, Wardah, 2020, Accounting measurement and disclosure of environmental costs according to the financial accounting system: a study of a sample of institutions, Hama Lakhdar University in Al-Wadi, Faculty of Economic, Commercial and Management Sciences.
4. Hafsa, Amina, and Farhat, Abbas, 2017, The role of measurement and accounting disclosure of environmental costs in enhancing the quality of accounting information, Journal of Financial and Accounting Studies, Issue 8.
5. Hamidat, Juma Falah, 2019, Methods of the International Financial Reporting Standards Expert (IFRS Expert), House of the International Arab Society for Certified Public Accountants, Amman - The Hashemite Kingdom of Jordan, first edition.
6. Hanan, Qaloua, 2015, Corporate Governance and its Impact on Accounting Disclosure and Quality of Financial Reports: The Case of Algeria, Master Thesis, University of Algiers 3, Faculty of Economic, Commercial and Management Sciences.
7. Hido, Fahima Asiloh, 2020, Employment of the corporate governance system and its impact on the progress of the Iraqi economy, Journal of Administration and Economics, Issue 126.
8. Khaled, Baashi, 2016, Accounting measurement of the elements of the financial statements according to the financial accounting system, Master Thesis, Ibn Khaldun University Tiaret, Faculty of Economic and Commercial Sciences and Management Sciences, Department of Commercial Sciences.
9. Al-Khlifawi, Dia Jassim Muhammad, 2022, The application of the International Accounting Standard (34) and its role in improving disclosure in the financial statements, an applied study, Master of Accounting Sciences, University of Al-Qadisiyah, College of Administration and Economics.

10. Rabeh, Afaf Noureddine Othman, and Saleh, Hilal Youssef. (2016). Accounting measurement and disclosure and their role in the integrated system of accounting and social information, PhD thesis, Sudan University of Science and Technology, College of Graduate Studies.
11. Reda, Bo Qaddum, Ahmed, Qannon, 2018, the effect of applying corporate governance rules on accounting disclosure and the quality of financial reports, a case study of the enterprise, Jingen, Jijel state, master's thesis, University of Jijel, Faculty of Commercial Economics and Facilitation Sciences, Department of Financial Management.
12. Al-Said, Saidani Mohamed, 2018, Accounting disclosure based on fair value as its impact on emphasizing the users of financial statements on decision-making in Algerian economic institutions: a field study, a published doctoral thesis, University of Ghardaia, Faculty of Economic, Commercial and Management Sciences.
13. Somaya, Naji, 2016, Accounting disclosure requirements according to international accounting standards, the first international standard (presentation of financial statements): a case study of the Amouri Brothers Corporation for Import and Export, Master Thesis, University of Mohamed Kheidar Biskra, Faculty of Economic, Commercial and Management Sciences.
14. Suwaid, Basma, 2012 "A Comparative Study Between Alternatives to Accounting Measurement, Historical Cost - Fair Value" Master's Thesis, Faculty of Economic, Commercial and Management Sciences - Kasdi Merbah University, Algeria.
15. Saleh, Clear, 2020, The impact of adopting accounting disclosure standards in the financial statements to reduce tax evasion after adopting the financial accounting system: a study of a sample of Algerian institutions, PhD thesis, University of Mohamed Boudiaf M'sila, Faculty of Economic, Commercial and Management Sciences.
16. Al-Taei, Ali Hassoun, and Raouf, Muhammad Imad, 2019, Governance and its impact on the quality of higher education, Journal of the University College of Economics, Baghdad, Issue 59.
17. Al-Amiri, Saud Jaid Mashkour, 2021, International Accounting Standards (IASC) and Financial Reporting Standards (IFRS): Theoretical Frameworks and Practical Applications, Curriculum Management for Publishing and Distribution, Amman, first edition.
18. Abdel-Sada, Hossam Ali, 2020, Risk Measurement Approach in International Financial Reporting Standards: An Applied Study in a Sample of Iraqi Companies, Master Thesis, Al-Furat Al-Awsat Technical University, Administrative Technical College.
19. Abdel Fattah, Ramadana Farouk, 2015, The Role of Corporate Governance Application in Enhancing the Quality of Financial Reports: A Case Study of the Subsidiaries of Al-Ziban Mills - Al-Qantara, Master Thesis, Mohamed Kheidar Biskra University, Faculty of Economic, Commercial and Management Sciences.
20. Ezz El-Din, Mustafa Haroun, and Hussein, El-Sharif Bakr, 2019, Corporate governance mechanisms and their role in achieving the effectiveness of accounting conservatism, Journal of Administrative Sciences, Issue 3.
21. Ali, Lokurd Muhammad, 2021, The Role of Corporate Governance in Promoting Social Responsibility, Iraqi University Journal, Volume 3, Issue 45.
22. Omar, Aladdin, Ali, Sharif Muhammad, 2022, The impact of accounting measurement and disclosure of credit risks in light of the era of digitization and Basel 3 on improving the quality of financial reports in Kuwaiti commercial banks: an applied study, Scientific Journal of Financial and Administrative Studies and Research, Volume 13, Number 2 .
23. Fattah, Noura Aziz, and Abboudi, Safaa Idris, 2021, The Reality of Applying the Principles of Electronic Governance in Iraqi Banks: An Exploratory Study in a Sample of Iraqi Governmental Banks, Tikrit Journal of Administrative and Economic Sciences, Volume 17, Issue 55, Part One.
24. Muhammad, Bahaa Hussein, 2018, accounting theory, Al Jazeera Bookshop for printing and publishing, Iraq, Baghdad
25. Maamari, Khawla, Qasoumi, Manal, Radwani, Abdel Moneim, 2018, A proposed model for measurement and accounting disclosure of intellectual capital in Algerian economic institutions, University of Martyr Hama Lakhdar Al-Wadi, Faculty of Economic, Commercial and Management Sciences.
26. The Saudi Organization for Auditors and Accountants, 2021. International Financial Reporting Standards approved in the Kingdom of Saudi Arabia and other standards and versions approved by the Saudi Organization for Auditors and Accountants, Indexing of King Fahd National Library for Publishing, Third Edition - Riyadh.
27. The Saudi Organization for Auditors and Accountants, 2022. International Financial Reporting Standards approved in the Kingdom of Saudi Arabia and other standards and versions approved by the Saudi Organization for Auditors and Accountants, Indexing of the King Fahd National Library for Publishing, Fourth Edition - Riyadh.
28. Saudi Capital Market Authority, 2022, Corporate Governance, Kingdom of Saudi Arabia Capital Market Authority.
29.Adeniyi-Akintola, R. (2021). The Efficacy of Mandatory Corporate Governance Regulation in an Emerging Market: Lessons from Nigeria (Doctoral dissertation, Aston University).
30.Alia, M. I., & Saadb, S. 2020. Comprehensive Statements under Sustainability Accounting: A Case Study, International Journal of Innovation, Creativity and Change, Volume 13, Issue 7.
31.Al-Marri, M. (2021). Augmenting corporate governance and minority shareholders' safeguards in the State of Qatar: lessons from the United Kingdom.

32.Alsalim, A., Hama-Amin, O., & Sultan, A. (2016). Adaptation of Accounting Information System for the Requirements of Developing Accounting Measurement and Disclosure. European Journal of Business and Management, 8(9), 217-224.
33.Al-Tahat, S. S. Y. (2015). Company attributes and the timeliness of interim financial reporting in Jordan. International Journal of Application or Innovation in Engineering & Management (IJAIEM), 4(3), 6-16.
34.Andreicovici, I., van Lent, L., Nikolaev, V. V., & Zhang, R. (2020). Accounting measurement intensity. Chicago Booth Research Paper, (20-17.(
35.Bin Hagshah, A. F. (2022). The new Saudi Corporate Governance Framework: a comparative legal study with the UK and Delaware (Doctoral dissertation, University of Glasgow.(
36.Botafogo, F. (2017). Process-based theory of value: a naïve approach to the axiomatic foundations of statistical activity cost analysis (SACA) (Doctoral dissertation, University of Otago.(
37.Bourekkadi, S., Babounia, A., & Elhakmi, S. (2021). Extent Of Measurement And Disclosure Of Environmental Information In Financial Reports Under (IFRS & IAS) For Yemeni. In E3S Web of Conferences (Vol. 319, p. 01079). EDP Sciences.
38.Cheng, M. E., & Tang, Y. (2016,). Thinking of the New Accounting Standard Systems on the Fair Value. In 3d International Conference on Applied Social Science Research (ICASSR 2015) (pp. 307-310). Atlantis Press.
39.de Oliveira, L. P., & Silva, C. A. T. (2022). Analysis of subjectivity in measuring assets assessed by level 3 of the fair value hierarchy. CUSTOS E AGRONEGOCIO ON LINE, 18(2), 373-396.
40.Hamdan, K. H., & Ahmed, A. M. S. (2019). Adoption the international accounting and financial reporting standards to the Measurement of Municipal Lands and their Reflection on the Financial Statements (An applied Study in the Municipality of Najaf). Al-Ghary Journal of Economic and Management Sciences, 16(2), 273-286.
41.Jauhiainen, T. (2021). How should corporate governance structures and mechanisms be created to comprise AI-based accounting and its auditing in the future.؟
42.Kamal, Y., & Begum, F. (2018). Corporate governance failures in Bangladesh: a study of hallmark and Basic Bank. Journal of Green Business School, 1(1), 15-31.
43.Khalaf, W. S., Jarullah, O. F., Atiyah, S. H., & Atiyah, S. H. (2022). MEASUREMENT AND ACCOUNTING DISCLOSURE OF SOCIAL RESPONSIBILITY COSTS. World Bulletin of Management and Law, 7, 71-79.
44.Ogieh, A. S., & Jeroh, E. (2022). Corporate governance and the value relevance of earnings. Himalayan Journal of Economics and Business Management, 3(5), 55-63.
45.Saptono, P. B., & Khozen, I. (2021). Tax Implications on Financial Instruments Resulting from IFRS 9 Adoption in Indonesia. Jurnal Reviu Akuntansi dan Keuangan, 11(3), 629-649.
46.Savva, R. (2022). Promoting Corporate Governance for Sustainability Through Shareholder Stewardship: A Critical Analysis of the UK’s Shareholder Stewardship Regulatory Regime (Doctoral dissertation, Lancaster University (United Kingdom)).
47.Shukor, Z. A., Nor, H. M., & Keliwon, K. (2011). Financial analysts’ perception of the importance of accounting information: Malaysian evidence. Journal of Business and Policy Research, 6(1), 156-172.
48.Soetedjo, S. (2012). The Decision Usefulness Of Financial Accounting Measurement Concept. Journal of Economics, Business, & Accountancy Ventura, 15(2), 343-358.
49Tokuga, Y., Sanada, M., Yamashita, T., & NECHITA, E. A. (2013). Economic consequences of fair value accounting: A review of recent literature. AMIS 2013, 382.