The Effect of Adopting the International Financial Reporting Standard (IFRS 15) In the Financial Statements and its Reflection on the Value of the Enterprise (Applied Research in the Contracting Sector)

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Abstract
The research aims to describe the methods and practices of revenue recognition in accordance with International Accounting Standards (IAS) and local accounting practices (IQGAAP), past and present, which are reflected in the accounting treatments for revenue recognition in accordance with the International Financial Reporting Standard (15FRS), and its impact on the financial statements and its reflection on the value of the facility.
To achieve the objectives of the research, the researcher used a case study in the Middle East Creativity and Real Estate Investments Company to apply the International Financial Reporting Standard (15FRS) at the later date and to show the impact of adopting the standard and the differences that appeared within the financial figures and measuring their reflection on the value of the facility before and after the adoption of the standard.
The researcher reached a number of conclusions, the most important of which is the existence of a significant effect of the new revenue recognition entrances in the basic elements of the financial statements prepared according to (IQAAP and IFRS), which means that the adoption of the International Financial Reporting Standard (IFRS 15) increases the usefulness of the information presented by the financial statements. There is a significant effect of the new revenue recognition entrances on the basic elements of the company's calculated value (IQAAP and IFRS), which means that the adoption of the International Financial Reporting Standard (IFRS 15) further improves the evaluative capacity of the financial statements in companies listed in the stock market.
One of the main recommendations of the research is to adopt the budget entrance (assets - liabilities) instead of the income entrance (revenues - expenses) to recognize revenue in line with the requirements of the transition to apply international financial reporting standards, especially the international financial reporting standard (IFRS 15), taking into account the specificity of the Iraqi environment. And to show the real expenses that are transferred to the customer in the contracting sector, because the accounting system treats them as a direct reduction of revenue.

Keywords: revenue recognition, IFRS, IFRS15, financial statements, enterprise value.

Introduction
Revenue standards have received great attention from the International Accounting Standards Board (AISB) and the American Financial Accounting Standards Board (FASB) revenue standards. (AIS 11) There is also an American Standard (ASC TOPIC 605) accompanied by many interpretations, but it

contained many shortcomings, differences, inconsistencies and limitations of the guidelines in the recognition of revenue. In order to address the differences and contradictions in the accounting principles used in different countries, the inconsistency in the previous standards and the emergence of an urgent need for standardization in accounting in order to obtain more transparent financial reports. This has also become necessary because companies have become multinational and investors in different countries find it difficult to compare the performance of companies, two councils within the International Convergence Initiative issued a new International Financial Reporting Standard (15) (IFRS entitled (Revenue from contracts with customers). Duty to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with the customer, based on specific conditions for recognizing revenue from the contract, through the performance of performance obligations, specifically after the customer has the ability to exercise control over the good or service The subject of the contract, and to complement the reflection of the application of the standard on the accounting side in the Iraqi environment, the current research aims to show the impact of the Financial Reporting Standard (IFRS 15) on the financial statements and its impact on the value of the facility.

Research Methodology

The problem of research

The research problem is that the accounting practices in the economic units operating in Iraq apply the unified accounting system and accounting rules for decades and adhere to specific accounting policies for recognition, measurement and disclosure that do not fit much with the concepts adopted in today's business environment, so the issue of adaptation with International Financial Reporting Standards (IFRS) In general, it focuses on recognizing revenues and local standards in particular. It is one of the most important challenges facing these companies, especially the matters that came up with the concepts, the most important of which are IFRS (15) revenue from contracts with customers, and IFRS 9 (financial instruments, as well as the criterion IFRS 9) 16 IFRS) Lease Contracts All of these criteria came with new revenue recognition approaches that differ from the traditional approaches and are, of course, significantly different from the concepts adopted in the Iraqi environment with regard to revenue recognition, measurement and disclosure. Also, the financial statements in local companies are prepared in accordance with the legal requirements and the changing needs of internal and external accounting information users are not taken into account. Initial financial reporting in accordance with the modern entries introduced by those standards in the field of revenue recognition and presentation in the financial statements and the necessary disclosures.

Research Hypotheses

The research is based on the following hypotheses:

The first main hypothesis: There is a significant effect of the new revenue recognition entrances on the basic elements of the financial statements for the financial statements prepared according to (IQGAAP and IFRS) and the following hypotheses are derived from it:

- There is a significant effect of the International Financial Reporting Standard (IFRS 15) on the basic elements of the income statement prepared in accordance with (IQGAAP and IFRS).
- There is a significant effect of the International Financial Reporting Standard (IFRS 15) on the basic elements of the statement of financial position prepared in accordance with (IQGAAP and IFRS).

- There is a significant effect of the International Financial Reporting Standard (IFRS 15) on the basic elements of the cash flow statement prepared in accordance with (IQGAAP and IFRS).

The second main hypothesis: There is a significant effect of the International Financial Reporting Standard (IFRS 15) on the value of the enterprise under (IQGAAP and IFRS).

The importance of research

Due to the rapid development in the accounting environment in Iraq to keep pace with the changes of globalization, this was reflected in the IFRS standards, as their application is mandatory starting from the first of January / 2021, but this was postponed. In Iraq, in implementing its recent trends regarding the transition to the application of the International Accounting and Financial Reporting Standards (IAS / IFRS)), there is a dearth of writings from the researcher's point of view. In addition to the amendments and innovations in (IFRS) standards, it leads to a quantum leap in the accounting work at the international and local levels in particular, and the main objective of it is to help get rid of differences in the current revenue recognition guidelines, unify local and international practices in this regard, as well as facilitate understanding the focus of attention of many Users of financial statements for the purpose of making rational decisions.

Previous studies

(2014) Srivastava studied the issue of revenue recognition in the software sector for (140) companies in the United States of America through a field survey of these companies and found that the application of the standard did not improve the contractual role of profits, but it partially transformed the informational role of financial statements from the income statement to the components of the budget The study (Aurora & Bontas) (2014) discussed the new approaches to revenue recognition and measurement in a German electronics company through an inductive analysis of the company’s business results and reached the new provisions of the International Financial Reporting Standard (IFRS 15) that will affect the establishments in various industries, and the extent varies Significantly depends on the nature of the work of the facility, for some facilities the nature of arranging their contracts directly with the delivery of the product or service, the timing and amount of revenue recognition does not change.The study of Dalkilic) (2014) dealt with the transformation model from revenue recognition to revenue from contracts concluded with customers through a case study in the Turkish company (Turkcell) for communications and concluded that the timing of revenue recognition for many facilities will change and the changes will be large and substantial and require careful planning for application The new standard is based on the terms of the contract and that cash collection is no longer the beginning of revenue recognition and does not affect the transaction price, and there is a change in information technology systems and unit resource planning systems in line with the five-step revenue recognition model. And the study of (Jack) (2014) examined the effects of the revenue recognition project in the aviation sector by analyzing the financial data of (9) American companies and found that there are fundamental changes in the accounting processes used to recognize revenue, and the economic units of applying the standard bear the costs of implementing the standard by updating computerized accounting programs and training Accountants and restructuring of their business practices create changes in the financial statements for some economic units. The study (Kasztelink) (2015) examined the adequacy of value for revenue recognition under international financial reporting standards in two international telecommunications companies through a statistical analysis of the results before and after the application and concluded that the appropriateness of the value of the information is more closely related to the international financial reporting standard (15). The study (Haggenmüller) (2019) explored the prior effects of revenue recognition according to the (IFRS 15) standard through a field survey of auditors and certified public accountants in the (30) listed German companies and concluded that the international standard (15) revenue from contracts with customers, It mainly deals with specific industries that have encountered difficulties in applying the previous requirements for the recognition of financial revenue reports because missing or undefined guidelines force accountants to use standards outside of IFRS.

The previous studies and their conclusions and recommendations represented an intellectual accumulation for the researcher, and were a starting point for preparing the current study. Our study focused on the application of the Financial Reporting Standard (IFRS 15) to a company listed on the Iraq Stock Exchange operating in the contracting sector. The Iraqi environment that links the research variables, the financial reporting criterion (IFRS 15), the financial statements and the value of the enterprise from an applied point of view.

International Financial Reporting Standard (IFRS 15) Revenue from contracts with customers

In 2015, the two councils issued International Financial Reporting Standard No. (IFRS `15) entitled Revenue from contracts with customers within the International Convergence Project, and one of its main objectives is to eliminate the differences and inconsistencies that were in the previous standards and to prepare a single standard that provides comprehensive guidance for accounting for Revenue can be applied to all industries and transactions, as well as facilitating the process of preparing financial statements by reducing the number of requirements and guidelines that must be relied upon when recognizing revenue (Abdul Rahim, 2020: 310-313).

Effective from 1 January 2018, it supersedes all previous revenue recognition requirements, IAS 11 (Construction Contracts), IAS 18 Revenue, and Related Interpretations (Haggenmüller, 2019: 20).

As for the revenues that do not fall within the scope of this standard, they are revenues from lease contracts governed by Financial Reporting Standard No. (IFRS 16) lease contracts and revenue from insurance contracts that fall within the scope of the Financial Reporting Standard (IFRS 17) insurance contracts and revenue related to financial instruments, rights and obligations Which fall within the (IFRS 9) standard and the revenues related to the consolidated financial statements that were dealt with under the (IFRS 10) standard the consolidated financial statements and the revenues from the joint arrangements that fall under the standard (IFRS 11) the joint arrangements and the revenues from the detailed financial statements covered by the standard (AIS) 27) Detailed financial statements and income from investments in associates and joint ventures, which are addressed in Standard (AIS 28) Investments in associates and joint ventures. (IFRS 15:5)

The standard is applied using a basic five-step model to analyze transactions and to provide guidance for revenue recognition, as follows:

The first step: Determine the contract with the customer

The determination of the contract with the customer (for the provision of a good or service) is fulfilled if the following five conditions are met: (Al-Shatnawi, 2017: 381)

(1) The parties to the contract agree to the terms of the contract in writing, orally, or in accordance with generally accepted practices.

(2) The possibilities of determining the rights of the parties to the contract in relation to the goods transported from one party to another.

(3) It is possible to specify settlement provisions relating to the commodity that the enterprise offers to the customer.
(4) The contract has commercial content.
(5) The entity expects to receive the consideration as a result of a contract to sell the good or service, taking into account the customer's ability and desire to pay the consideration when transferring it.

The researchers believe that the first step led to fundamental changes compared to previous practices for revenue recognition in terms of detailed instructions that were not present in the previous standards related to contracts in terms of consolidation and segmentation of contracts. Current and future contracts.

Step Two: Determine the performance obligations in the contract

An essential feature of IFRS 15 is the concept of performance obligations, which requires consideration of separate performance obligations or distinct goods or services (IFRS 15, par: 27b). In the previous standard (AIS 18), paragraph (13) it is only required that transactions be detailed in certain circumstances. Therefore, the new international standard is more mandatory in this regard, so this feature is represented in the standard (IFRS 15), and it is one of the most important changes (Peters, 2016:9).

Step: Three: Determine the transaction price

The transaction price is the amount of consideration an entity expects to receive in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of a third party (DOC, 2016: 8). Non-cash consideration, consideration payable to the customer, the important financing component (KPMG,2014:12).

Step Four: Allocate the transaction price to the performance obligations in the contract

The transaction prices specified in the previous step must be allocated to the contract performance obligation identified in the second step. The purpose of the allocation is that the entire agreement transaction prices are attributed to each performance and that the variable rewards and discounts, the entity must determine the separate amount of each performance obligation (Marton, et., 2016: 300)

Step 5: Recognize revenue when the entity satisfies a performance obligation

Fulfillment of obligations and revenue recognition is the last step. The entity recognizes revenue for each obligation in relation to the obligation to be performed. Revenue is recognized in two different ways:

(1) Fulfillment of obligations over a certain period of time

(IFRS 15) has specified three conditions, if one of them is met, performance obligations are fulfilled and revenues are recognized over a specified period of time, which are: (35; 2014, Jack)

(1) the customer receives and consumes the benefits at the same time that the entity provides the goods or services;
(1) when the entity improves or creates an asset and the asset is under the control of the customer;
(2) An entity's performance does not create an asset with an alternative use for the entity, but it has a legal right to payment for performance completed to date.

There are two ways to measure the level of progress, the output method and the input method (Ciesielski & Weirich, 2011: 23).

Fulfillment of contract obligations at a certain point in time

When none of the predetermined conditions for the fulfillment of obligations over the specified time period are met, then revenue is recognized at a point in time.

Fourth: the practical aspect

The accounting practices for revenue recognition in the contracting sector in the Iraqi environment are governed by the unified accounting system issued by the Iraqi Federal Financial Supervision Bureau, in addition to the Iraqi accounting rules issued by the Iraqi Accounting and Regulatory Standards Board. The current one, which necessitates amending it in line with the economic reality. Below is a table showing the most important differences between the International Financial Reporting Standard No. (IFRS 15) and the unified accounting system and accounting rules:

the details	**International Financial Reporting Standard (IFRS 15)**	**The unified accounting system and accounting rules**
Target	The standard aims to set principles applied by enterprises and ensure that information is provided to users of financial statements about the nature, amount, timing, uncertainty and all cash flows that arise from contracts with customers. And there is an expectation that you will receive it	Rule (1) aims to: Definition of the construction contract, types of construction contracts and accounting methods for measuring the result of financial activity and recognizing revenue for construction contracts according to the two methods adopted, the method of percentage of completion and the completed contract during the stages of completion of construction contracts with regard to advance payments, pledges, advances, and advances.
the definition revenue	The increase in economic benefits during the accounting period in the form of inflows or an increase in assets or a decrease in liabilities or both that leads to an increase in equity other than that increase resulting from the owners' contribution.	Resources are the total revenues obtained by the economic unit as a result of using the factors of production in addition to the incidental revenues obtained by the unit from other parties, whether related to its activity or not.
entrances	One model consisting of five steps depends on the criterion on the entrance to the budget (assets - liabilities) and the revenue is recognized on the basis of the change between them.	The unified accounting system adopts the income entry, which is based on the fulfillment of the two conditions (verification and acquisition).
the range	It falls within the scope of all sectors and most contracts based on transactions or deals to provide goods or services to customers, which constitute the main activities of the facility. Some contracts related to (lease contracts, insurance contracts) that are governed by special standards (IFRS 16 and IFRS	There is no domestic accounting rule for revenue recognition. There is an accounting rule No. (1), whose scope is on construction contracts

	17) are outside the scope of the standard.	
revenue measurement	Revenue is measured using the transaction price and allocated to the performance obligations independently, and guidelines have been set for the construction sector to recognize revenue over a period of time or at a point in time, which is one method, which is the percentage of completion method	The accounting rule determined the dependence on two methods for measuring the result of construction contracts, namely, the percentage of completion method and the completed contract method
Know the contract and its terms	The contract is defined: it is a written or oral agreement between two parties that gives rise to the legal rights and obligations of the parties to the contract and clarifies the usual business practices of the facility. The practices and contracting mechanisms differ from one country to another, as well as between establishments.	The contract defined under Accounting Rule No. (1) is a contract for the construction or construction of an asset or group of assets that together form a single project, according to which the contractual relationship between two parties, one of whom is the owner of the project and the other who implements it, is defined.
Variable Contrast Measurement	The standard gives detailed guidance for estimating a variable consideration to be included in the transaction price, provided that there is a high degree of assurance to ensure that the revenue recognized will not decline in the future.	There are no guidelines for measuring variable consideration
Time value of money	Interest income and expense are recognized for both receivables and payments made by customers if they are material.	It was not covered by the accounting rules and the unified accounting system
the offer	Contracts are presented as an asset, contractual liability, or receivable in the statement of financial position, depending on the relationship between the performance of the entity and the payment of the customer.	The accounting rules and the unified accounting system did not specify the presentation requirements, but rather relied on certain models for the preparation of financial statements that include revenue items.

Disclosure	The standard included extensive disclosure requirements (quantitative and descriptive information) in order to provide information that helps users make the best economic decisions	The Iraqi accounting rule No. (6) indicated with regard to the disclosure of revenues limited instructions, as well as Rule No. (1) requires disclosure in the final statements and accounts of (the value of work in progress, the amounts received, and owed for completed work items, advances and insurances at the expense of contracts in progress Change in accounting policies for accounting for construction contracts, and determining the value of the effects resulting from the change and their causes)

Source: Prepared by the researcher based on the Financial Reporting Standard No. (IFRS 15), the unified accounting system and the Iraqi accounting rules

Financial statements after adjustment

The Financial Reporting Standard (IFRS 15) has been applied to the financial statements of Ebdaa Middle East Contracting and Real Estate Investments

1- Statement of financial position for the years ended (2017-2020)

Directory No.	account name		Opening balances according to criterion 15	2017	2018	2019	2020
	the findings						
	Non-current assets						
11	Property, plant and equipment (at book value)		4,682,397	3,942,056	2,868,583	2,534,737	1,919,364
	Total non-current assets		4,682,397	3,942,056	2,868,583	2,534,737	1,919,364
	Current assets						
13	Inventory		463,487,707	1,402,561,812	2,259,004,442	108,668,998	610,855,246
15	short term financial investments		1,355,582,335	1,355,582,335	1,355,582,335	1,355,582,335	1,355,582,335
	Down: Free stock reserve		(135,558,233)	-	-	-	-
16	debtors		476,198,781	543,706,167	858,054,298	597,378,421	667,907,120
18	money		3,196,609,758	3,006,744,620	2,757,391,518	3,104,222,358	3,148,347,594

	Total current assets		5,356,320,348	6,308,594,934	7,230,032,593	5,165,852,112	5,782,692,295
	total assets		5,361,002,745	6,312,536,990	7,232,901,176	5,168,386,849	5,784,611,659
	Shareholders' equity						
211	The nominal and paid-up capital (3 billion) shares, the value of the share is one dinar		3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
22	reserves		1,420,237,235	1,645,355,432	1,774,422,439	1,851,025,399	1,948,925,196
	total shareholder equity		4,420,237,235	4,645,355,432	4,774,422,439	4,851,025,399	4,948,925,196
	short term liabilities						
23	Customizations		76,180,951	104,884,380	194,888,295	204,117,452	224,223,717
26	creditors		864,584,559	1,562,297,178	2,263,590,442	113,243,998	611,462,746
	The sum of the short-term financing sources		940,765,510	1,667,181,558	2,458,478,737	317,361,450	835,686,463
	Total funding sources		5,361,002,745	6,312,536,990	7,232,901,176	5,168,386,849	5,784,611,659

2- Statement of comprehensive income for the years ending (2017-2020)

Directory No.	account name	**2017**	**2018**	**2019**	**2020**
	Revenue from current activity				
41	current activity revenue	1,261,144,297	1,753,557,597	997,051,373	502,186,248
	Decrease the expenses of the current activity				
31-38	Contract expenses	1,012,938,223	1,447,406,102	842,486,800	443,801,050
31	salaries and wages	24,793,600	24,150,000	23,962,200	23,721,000
32	commodity supplies	5,545,944	4,446,950	2,942,500	2,845,750
33	service supplies	26,869,900	16,231,000	16,256,000	41,309,940
37	Furniture breakdowns	1,371,091	1,073,473	983,846	755,373
38	Taxes and Fees	59,336,690	19,409,750	15,709,833	30,255,250
	Total current activity expenses	1,130,855,448	1,512,717,275	902,341,179	542,688,363
	Surplus of current	130,288,849	240,840,322	94,710,194	(40,502,115)

	operations (deficit)				
	Add: transfer and other revenues				
48	Benefits payable	-	-	11,095,890	-
49	Other revenue	22,138,964	14,782,712	31,126,920	190,159,575
	Total transfer and other revenues	22,138,964	14,782,712	42,222,810	190,159,575
38	Subtract: transfer and other expenses				
	Transfer expenses except h (384)	1,672,000	1,529,000	-	4,516,000
	Other expenses	49,767,426	92,661,305	40,991,022	22,190,053
	Total transfer and other expenses	51,439,426	94,190,305	40,991,022	26,706,053
	(Deficit) activity surplus before tax	100,988,386	161,432,729	95,941,982	122,951,408
	Down: 15% income tax	24,442,013	32,365,722	19,339,022	25,961,611
	Activity surplus after tax (deficit)	76,546,374	129,067,007	76,602,960	96,989,797
	Distributed as follows:-				
	statutory reserve under companies law 5%	3,827,319	6,453,350	3,830,148	4,849,490
	accumulated surplus	72,719,055	122,613,656	72,772,812	92,140,307
	the total	76,546,374	129,067,007	76,602,960	96,989,797

2- Cash flow statement as on December 31, for the years (2017-2020)

		2017	2018	2019	2020
Directory No.	cash flows from operating activities				
	win the year	100,988,386	161,432,729	95,941,982	122,951,408
	Adjustments to profit:				
37	annihilations	1,371,091	1,073,473	983,846	755,373
3	Possible maintenance expense	49,054,226	57,638,193	9,923,802	(5,855,347)
	The increase in the reserve is free shares	13,013,590	-	-	-
	Average profit for the year	164,427,294	220,144,395	106,849,630	117,851,434
16	Increase in debtors	(67,507,386)	(314,348,131)	260,675,877	(70,528,698)

26	The decline in creditors	697,712,619	701,293,264	(2,150,346,444)	498,218,748
13	Inventory	(939,074,105)	(856,442,630)	2,150,335,444	(502,186,248)
	Tax	(44,792,810)	-	(20,033,667)	-
		(353,661,682)	(469,497,497)	240,631,210	(74,496,198)
	net operating cash flow	(189,234,388)	(249,353,102)	347,480,840	43,355,236
	Cash flows from investing activities:				
11	asset purchase	630,750	-	650,000	140,000
	net cash flow from investing activities	630,750	-	650,000	140,000
	Cash flows from financing activities:				
	Accumulated Surplus Adjustments	-	-	-	910,000
	net cash flow from financing activities	-	-	-	910,000
	net cash flow during the year	(189,865,138)	(249,353,102)	346,830,840	44,125,236
	Cash at the beginning of the year	3,196,609,758	3,006,744,620	2,757,391,518	3,104,222,358
	Cash at the end of the year	3,006,744,620	2,757,391,518	3,104,222,358	3,148,347,594

3- The list of changes in the equity of Bidaa Middle East General Contracting Company for the years ending on 12/31/ (2017-2020)

the details	paid Capital	mandatory reserve	Free stock reserve	accumulated surplus	Total
Balance on 1/1/2017 before transfer	3,000,000,000	76,154,931	-	1,276,046,022	4,352,200,953
The effect of applying the standard	-	3,401,814	-	64,634,468	68,036,282
Profit for the year/2017	-	3,827,319	148,571,823	72,719,055	225,118,197
Balance on 31/12/2017	3,000,000,000	83,384,064	148,571,823	1,413,399,545	4,645,355,432
Balance on 1/1/2018	3,000,000,00	83,384,064	148,571,823	1,413,399,54	4,645,355,43

	0			5	2
Profit for the year /2018	0	6,453,350		122,613,656	129,067,007
Balance on 12/31/2018	3,000,000,00 0	89,837,414	148,571,823	1,536,013,20 1	4,774,422,43 9
Balance on 1/1/2019	3,000,000,00 0	89,837,414	148,571,823	1,536,013,20 1	4,774,422,43 9
Profit for the year 2019	0	3,830,148		72,772,812	76,602,960
Balance on 12/31/2019	3,000,000,00 0	93,667,562	148,571,823	1,608,786,01 4	4,851,025,39 9
Balance on 1/1/ 2020	3,000,000,00 0	93,667,562	148,571,823	1,608,786,01 4	4,851,025,39 9
Profit for the year /2020	-	4,849,490	-	92,140,307	96,989,797
settlements	-	-	-	910,000	910,000
Balance on 12/31/2020	3,000,000,00 0	98,517,052	148,571,823	1,701,836,32 1	4,948,925,19 6

From the foregoing, it becomes clear after the application of the new international standard (IFRS 15) on the financial statements prepared according to the unified accounting system that there is an impact on the statement of financial position and the statement of comprehensive income and cash flow, as well as there are disclosures about revenues that the company has not previously prepared, which makes the financial statements Displayed, as far as the researcher knows, is of interest to its users.

Analyzing the results and testing the research hypotheses

For the purpose of testing this hypothesis, the (Wilcoxon) test will be used, which is a nonparametric test used with pre/post measurements, to compare two related samples, or repeated measurements in one sample. To calculate the significance of the difference between the averages of the pre/post samples, using the ready-made statistical package for social sciences (SPSS) program, the results were as follows:

The first main hypothesis: - There is a significant effect of the financial reporting standard (IFRS 15) on the basic elements of the financial statements of the financial statements prepared in accordance with (IQGAAP and IFRS)

Table in order of the results of the first major hypothesis test

Ranks				
		N	Mean Rank	Sum of Ranks
Financial statements according to (IFRS) - financial statements according to IQGAAP	Negative Ranks	22[a]	25.68	565.00
	Positive Ranks	44[b]	37.41	1646.00
	Ties	8[c]		
	Total	74		

a. IFRS Financial Statements < IQGAAP Financial Statements
b. IFRS Financial Statements > IQGAAP Financial Statements
c. IFRS Financial Statements = IQGAAP Financial Statements

The above table shows that the negative ranks amounted to (22) values, which means the number of elements of the financial statements whose values calculated according to local standards were greater than those calculated according to international standards, and they constitute approximately (30%) of the total elements calculated according to observations. The sample, as well as the above table shows that the positive ranks amounted to (44) values, which means the number of elements of the financial statements whose values calculated according to international standards were greater than those calculated according to local standards, and they constitute approximately (59%) of the total elements calculated according to Observations of the sample, and the results in the above table show that the value of Ties amounted to (8), which means the number of elements of the financial statements that were equal according to local and international standards, and it constitutes approximately (11%) of the total elements calculated according to the sample observations.

Table of results for the first major hypothesis test

Test Statistics[b]	
	Financial statements according to (IFRS) - Financial statements according to (IQGAAP)
Z	-3.453
Asymp. Sig. (2-tailed)	.001

It is noted from the above table that the value of Z ( ) amounted to (-3.453), with a significant level of Asymp. Sig. (2-tailed) amounted to (0.001) which is less than the predetermined level of error in social sciences by (0.05), which means that the sample data showed convincing evidence to accept the research hypothesis, meaning that there is a significant effect of the financial reporting standard (IFRS 15).) in the basic elements in the financial statements of the financial statements prepared in accordance with (IQGAAP and IFRS), and the trend of the difference is attributed to the positive ranks (Positive Ranks) because they are the majority and therefore it can be said that the application of the financial reporting standard (IFRS 15) has a positive impact on the basic elements of the financial statements .

The first sub-hypothesis:- There is a significant effect of the financial reporting standard (IFRS 15) on the basic elements of the statement of financial position prepared according to (IQGAAP and IFRS)

Table of ranks of the results of the first sub-hypothesis test

Ranks				
		N	Mean Rank	Sum of Ranks
IFRS Statement of Financial Position - IQGAAP Statement of Financial Position	Negative Ranks	4[a]	20.00	80.00
	Positive Ranks	21[b]	11.67	245.00
	Ties	5[c]		
	Total	30		

a. IFRS Statement of Financial Position < IQGAAP Statement of Financial Position
b. IFRS Statement of Financial Position > IQGAAP Statement of Financial Position
c. IFRS statement of financial position = IQGAAP statement of financial position

The above table shows that the negative ranks amounted to 4 values, which means the number of elements of the statement of financial position whose values calculated according to local standards were greater than those calculated according to international standards, and they constitute approximately (13%) of the total elements calculated according to the observations of the sample, as well as The above table shows that the Positive Ranks amounted to (21) values, which means the number of elements of the statement of financial position whose values calculated according to international standards were greater than those calculated according to local standards, and they constitute approximately (70%) of the total elements calculated according to Observations of the sample, and the results in the above table show that the value of (Ties) amounted to (5) values, which means the number of elements of the statement of financial position that were equal according to local and international standards, and it constitutes approximately (17%) of the total elements calculated according to the sample observations.

Table of results for the first sub-hypothesis test

Test Statistics[b]	
	IFRS Statement of Financial Position - IQGAAP Statement of Financial Position
Z	-2.222
Asymp. Sig. (2-tailed)	.026

It is noted from the above table that the value of Z ( ) amounted to (-2.222), with a significant level of Asymp. Sig. (2-tailed) amounted to (0.026), which is less than the accepted level of error in the social sciences, which was predetermined by (0.05), which means that the sample data showed convincing evidence to accept the research hypothesis, meaning that there is a significant effect of the financial reporting standard (IFRS 15).) in the basic elements in the elements of the statement of financial position prepared according to (IQGAAP and IFRS), and the trend of the difference is attributed to the positive ranks (Positive Ranks) because they are the majority and therefore it can be said that the application of the new revenue recognition entrances has a positive impact on the basic elements of the statement of financial position.

The second sub-hypothesis:- There is a significant effect of the financial reporting standard (IFRS 15) on the basic elements of the income statement prepared according to (IQGAAP and IFRS)

Table of ranks of the results of the second sub-hypothesis test

Ranks				
		N	Mean Rank	Sum of Ranks
IFRS Income Statement - IQGAAP Income Statement	Negative Ranks	13[a]	15.46	201.00
	Positive Ranks	23[b]	20.22	465.00
	Ties	0[c]		

	Total	36		
a. IFRS Income Statement IQGAAP Income Statement				
b. Income statement according to IFRS > Income statement according to IQGAAP				
c. IFRS Income Statement = IQGAAP Income Statement				

The above table shows that the negative ranks amounted to (13) values, which means that the number of income statement elements whose values calculated according to local standards are greater than those calculated according to international standards, and they constitute approximately (36%) of the total elements calculated according to The sample observations, as well as the table above shows that the positive ranks amounted to (23) values, which means the number of income statement elements whose values calculated according to international standards were greater than those calculated according to local standards, and they constitute approximately (64%) of the total The calculated items according to the sample observations, and the results in the above table show that the value of Ties amounted to zero, meaning there are no values, which means the number of items in the income statement that were equal in accordance with local and international standards.

Table of results for the second sub-hypothesis test

Test Statistics[b]	
	IFRS Income Statement - IQGAAP Income Statement
Z	-2.074
Asymp. Sig. (2-tailed)	.038

It is noted from the above table that the value of (Z) amounted to (-2.047) and the level of significance is Asymp. Sig. (2-tailed) amounted to (0.038), which is less than the predetermined level of error in social sciences by (0.05), which means that the sample data showed convincing evidence of accepting the research hypothesis, meaning that there is a significant effect of the financial reporting standard (IFRS 15).) in the basic elements in the elements of the (income) statement prepared according to (IQGAAP and IFRS), and that the direction of the difference is attributed to the benefit of the positive ranks ("Positive Ranks" because they are the majority, and therefore it can be said that the application of the new revenue recognition entrances has a positive impact on the basic elements of the income statement.

Third: The third sub-hypothesis:- There is a significant effect of the financial reporting standard (IFRS 15) on the basic elements of the cash flow statement prepared according to (IQGAAP and IFRS)

Table of results for the third sub-hypothesis test

Ranks				
		N	Mean Rank	Sum of Ranks
IFRS cash flow statement - IQGAAP cash flow statement	Negative Ranks	4[a]	2.50	10.00
	Positive Ranks	0[b]	.00	.00
	Ties	4[c]		
	Total	8		
a. IFRS Cash Flow Statement IQGAAP Cash Flow Statement				
b. IFRS Cash Flow Statement > IQGAAP Cash Flow Statement				

c. IFRS cash flow statement = IQGAAP cash flow statement

The above table shows that the negative ranks amounted to (4) values, which means that the number of elements of the cash flow statement whose values calculated according to local standards were greater than those calculated according to international standards, and it constituted (50%) of the total elements calculated according to The sample observations, as well as the table above shows that the Positive Ranks amounted to zero, that is, there are no values. It means the number of cash flow statement elements whose values calculated according to international standards are greater than those calculated according to local standards, and they constitute (0%) of The total items calculated according to the observations of the sample, and the results in the above table show that the value of (Ties) amounted to (4) values, which means the number of elements of the cash flow statement that were equal according to local and international standards, and it constitutes (50) of the total items calculated according to observations. the sample.

Table of results for the third sub-hypothesis test

Test Statistics[b]	
	IFRS Cash Flow Statement - IQGAAP Cash Flow Statement
Z	-1.857-[a]
Asymp. Sig. (2-tailed)	.063

It is noted from the above table that the value of (Z) amounted to (-1.857) and the level of significance is Asymp. Sig. (2-tailed) reached (0.063), which is greater than the predetermined level of error in social sciences by (0.05), which means that the sample data showed convincing evidence of rejecting the research hypothesis, meaning there is no significant effect of the financial reporting standard (IFRS 15).) in the basic elements in the elements of the cash flow statement prepared according to (IQGAAP and IFRS)

The second main hypothesis: - There is a significant effect of the financial reporting standard (IFRS 15) on the value of the company calculated according to (IQGAAP and IFRS)

Table No. Rank the results of the second main hypothesis test

Ranks				
		N	Mean Rank	Sum of Ranks
Company value according to IFRS - Company value according to IQGAAP	Negative Ranks	9[a]	51.00	459.00
	Positive Ranks	47[b]	24.19	1137.00
	Ties	0[c]		
	Total	56		
a. Company value according to IFRS < Company value according to IQGAAP				
b. Company value according to IFRS > Company value according to IQGAAP				
c. Company value according to IFRS = Company value according to IQGAAP				

The above table shows that the Negative Ranks amounted to (9) value, which means that the company's value indicators calculated according to local standards are greater than those calculated according to international standards, and they constitute approximately (16%) of the total elements calculated according to the observations of the sample, as well as The above table shows that the positive ranks amounted to (47) values, which means the number of company value indicators calculated according to international standards is greater than those calculated according to local standards, and it constitutes approximately (84%) of the total elements calculated according to the observations of the sample. The results in the above table show that the value of (Ties) amounted to (zero), meaning there are no values, which means the number of indicators of the company's value that were equal according to local and international standards.

Table of results for the second major hypothesis test

Test Statistics[b]	
	Company value according to - IFRS IQGAAP Company value according to -
Z	-2.769-[a]
Asymp. Sig. (2-tailed)	.006

It is noted from the above table that the value of (Z) amounted to (-2.769), with a significant level of Asymp. Sig. (2-tailed) amounted to (0.006), which is less than the predetermined level of error in social sciences by (0.05), which means that the sample data showed convincing evidence of accepting the research hypothesis, meaning that there is a significant effect of the financial reporting standard (IFRS 15).) in the basic elements in the value of the company calculated according to (IQGAAP and IFRS), and the direction of the difference is attributed to the positive ranks (Positive Ranks) because they are the majority and therefore it can be said that the application of the new revenue recognition entrances has a direct impact on the value of the company.

Recommendations and conclusions

1- The results of the statistical analysis showed the following results:

- There is a significant effect of the new revenue recognition entries in the basic elements of the financial statements prepared in accordance with (IQAAP and IFRS), which means that the adoption of the International Financial Reporting Standard (IFRS 15) increases the usefulness of the information presented by the financial statements.
- There is a significant effect of the new revenue recognition entrances on the basic elements of the company's calculated value (IQAAP and IFRS), which means that the adoption of the International Financial Reporting Standard (IFRS 15) further improves the evaluative capacity of the financial statements in companies listed in the stock market.

2- Lack of clarity and discrepancy in the accounting practices of companies in the field of revenue recognition and its relationship to maximizing the value of the enterprise.

3- The International Financial Reporting Standard (15IFRS) depends on the budget input (assets - liabilities) with the adoption of the contracts approach and the replacement value approach, which provides information with high transparency and works to give priority to the economic substance over the legal substance to ensure honest representation of the revenue-generating facility's transactions, as well as Ensure the provision of a sound and consistent conceptual basis based on changes in assets and liabilities arising from the transaction between the unit and its customers to recognize revenue based on fulfillment of contractual obligations and this is consistent with the conceptual framework for preparing the revised financial reports.

Recommendations

1- Adopting the budget entry (assets - liabilities) instead of the income entrance (revenues - expenses) to recognize revenue in line with the requirements of the transition to apply international financial reporting standards, especially the international financial reporting standard (IFRS 15), taking into account the specificity of the Iraqi environment.

2- Show the real expenses that are transferred to the customer in the contracting sector, as the accounting system treats them as a direct reduction from the revenue.

3- That the professional and academic organizations that sponsor the application of financial reporting standards hold training courses, seminars, workshops and scientific forums in educational institutions to spread culture and awareness and indicate the benefits and advantages of applying the International Financial Reporting Standards (IFRS) that is reflected on the value of companies with the participation of corporate accountants, professionals and academics specialized in universities In order to raise the efficiency of accounting in economic units after the opening of Iraq to the outside world.

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