International Journal of Economic Research

ISSN : 0972-9380

available at http: www.serialsjournal.com

Volume 14 • Number 12 • 2017

Accounting Disclosure of Both Financial and Non-financial Information in the Light of International Accounting Standards

Nimer Alslihat[1], Nahed Alrawashdeh[2], Shereen Al-Ali[3], Mazen Al – Omari[4], Ala'a Gazzaz[5] and Haitham Alali[6]

[1,2,4,6] *Business Faculty, Amman Arab University, Amman Jordan*
[3] *Ajloun National University, Ajloun, Jordan*
[5] *Cairo Amman Bank, Karak, Jordan*

Abstract: Accounting disclosure is a statement released by a company, business, or corporation that identifies the financial strategies that are being used and reveals things like costs and profits for a particular period. The rationale of this document is to inform investors includingboth existing as well as potential investors of the accounting strategies and methods used. Accounting disclosure represents one of the significant principles of accounting. Corporations these days are required to make complete disclosure of both financial and non-financial information. There are many standards that confirm the importance of the accounting disclosure. The principles determine the information that enter in the field of accounting function, so that the approach to communication these information must be determined; to do these jobs the information must be relative to expect using and disclosure of that relation between information and principles that depended on.The necessity demands unit of the practical approaches in disclosure in many similar periods. It must depend upon cost – benefit in preparing and communication the accounting information.The disclosure must also take the differences among the users' experiences of the information. The aim of the present paper is to study the disclosure of accounting information in the light of international accounting standards. Moreover, the commitment of corporations towards the disclosure of accounting information is also thrown light on.

Keywords: Accounting disclosure, international accounting standards, accounting information, disclosure.

1. INTRODUCTION

After the industrial revolution and the emergence of public shareholding huge size companies and brings huge capital in the hands of these companies showed the need for accounting information is accurate and correct and suitable for every needs this information can only be provided through the financial statements that represent the accounting system outputs.

The growing role of accounting in various subsidiaries as a system for the production of the relative benefit information by connecting different and wide of the society segments important financial information, both agreed their interests or contradicted in the form of lists, financial reports reflect what happened in the economic establishments of consecutive events, which has a dramatic impact in the economic decision-making and investment (Meigs *et al.*, 1974; 2011).Given the importance of the financial statements as outputs of the accounting system based at the facility have these statements have been prepared on the basis consistent with the disclosure of the mysterious things with relative influence of the important requirements in the decision-making process since any misleading information contained in these lists would lose their importance and thus influence the investment decision, which is one of the important and serious decisions, which requires the availability of information on a high degree of accuracy and objectivity.

Since the accounting aims to achieve two main functions are the measurement and delivery of information to users to assist them in making decisions so it must follow the rules and accounting policies that lead to economic disclose information or accounting displayed on the basic facts and relationships related to the facility.The Accounting Standards Codification® (ASC) 450, has become the issue of access to information, accessibility and freedom of circulation and credibility and accuracy of pressing issues on businessmen and investors and requires the investor to the data and information to help him in making his investment decision where to obtain such data and information from many the most important sources of the reports and financial statements and from here we can identify a problem Search lack of commitment to corporate disclosure and non-professional organization of accounting, auditing and financial analysis criteria adequately and therefore insufficient data available to investors (FASB, 2009). Therefore, this study aims to identifying the concept and the principles and elements of disclosure of accounting information in the light of international accounting standards, in addition to study the level of commitment of companies to publish financial statements.

The importance of the research of the importance attached to the financial statements announced by the companies that contribute to investors' confidence in the development, providing adequate data and information for their decisions and this can only be achieved by having the accounting disclosure that achieves an atmosphere of confidence among traders here comes the importance of research through focus on the information that must be disclosed in the financial statements and the role of this information in making correct and sound decisions that deliver beneficial for all parties overlapping.

2. THE DISCLOSURE OF ACCOUNTING INFORMATION

Intended to disclose in general is full of publicity in the accounting is intended that its financial statements show all the key information of interest to users of information that help them make decisions properly.Known accounting disclosure that provide data accounting and information to users full and correct and appropriate in order to help them make decisions can also be defined as the dissemination of data or the necessary accounting information, provided that such information is misleading and does not affect the efficiency of the information contained in the financial reports.It also means the inclusion of financial reporting on all necessary and necessary information to give users of these reports is clear and true picture of the accounting unit.

While the other hand, to the disclosure that he made through which the company's contact with the outside world and that the final outcome of disclosure but are in the financial statements, information and data that show which is seen. It means that include financial reports fairly and clarity of reliable information and that the financial statements of the company shows all the key information of interest to foreign About enterprise groups and to help them make their own decisions economic towards the company realistically and true and that the company undertakes to provide such information on a regular basis.

Given that the accounting disclosure a naughty accounting function which is the essence of accounting theory, it involves a declaration thoughtful optional way or compulsory for some of what the administration of information and data useful economic status of power and limited resources for foreign interested parties to gain access to such information and using certain tools and achieve the objectives of certain, (paragraph 10 (b), (ASB, 2009).

(a) Types of disclosure

Disclosure is classified as following:

1. *Full disclosure principle*: It is intended as a holistic financial reporting and the importance of their coverage of any of a significant impact on the reader and the importance of this type of disclosure of the importance of financial statements primarily as a reliable decision-making information and the disclosure of the facts is limited until the end of the accounting period but extends to some of the facts subsequent to the dates of the financial statements which have an impact on its users (Schiff et al., 2012)*,[Predecessor literature: SFAS No. 5, paragraph 17(a), Norwalk, Conn., 1975]*.
2. *Fair disclosure:* It aims at balanced care for the needs of all parties as required financial output of financial statements and reports a way that does not offer a specific category or interest on the interest of other categories preferred.
3. *Sufficient disclosure:* Includes determining the minimum that should be provided by the accounting information in the financial statements can be observed that the concept of minimum Unknown precisely because vary depending on the needs and interests primarily being directly affects the decision-making as well as it follows the experience enjoyed by the beneficiary.
4. *Appropriate disclosure:* He disclosed that takes into account the needs of data users and the conditions of the facility and the nature of its activity since it is not only important to disclose financial information, but more importantly, to be of value and benefit to the decisions of investors and creditors and commensurate with the established activity and internal circumstances.
5. *Preventive disclosure:* The disclosure of accounting information in the form that makes the financial reporting is misleading to users and private investor them as it aims this type of disclosure to protect the financial community and the so-called preventive disclosure (traditional) and requires disclosure of the following matters:i)accounting policy; ii) change in accounting policy; iii) correction of errors in the financial statements; iv) gains and potential losses; v) financial links; vi) subsequent events.

6. *Disclosure educational:* It appeared this kind of disclosure of the impact of the increasing importance of appropriate where the claim discloses appropriate information to make decisions like a disclosure of the components of fixed assets and inventory and disclosure policy of the circuit used for the distribution of profits and financing structures of the institution emerged.

(b) Elements of accounting disclosure

It can be summed up the ingredients that make the accounting disclosure of his information with confidence and interest both inside or outside your organization are as follows:

1. *User accounting information to determine:* The identification of the user accounting information would know or identify properties that must be met in that information in terms of form and content because users of accounting information with different levels of interpretation of information, and this had to be the preparation of information by setting up a single report, according to multiple models of needs or issue multi symptoms and one financial report that meets the needs of the potential presence users of these two models is difficult to achieve, therefore it is better sample preparation is assumed that meets specific user needs from among those groups and make it a major focus in determining the disclosure dimensions virginity of care for existing owners and potential owners and creditors

2. *To determine the purpose of the use of accounting information:* The determination of the purpose of the use of accounting information would achieve the appropriate property so that the user takes advantage of the information and gain the ability to predict and help them in making decisions.

   In spite of the financial statements do not meet all the needs of those users of the information, however, there are common needs of users of financial data are that meet the needs of investors who bear the risk capital will also meet most of the needs of other users.

   Located preparation and presentation of financial statements are the responsibility of the entity primarily the responsibility of management and administration is also interested in the information contained in the financial statements, although it is available with access to and management of financial information additional to enable them to perform their basic functions in planning and decision-making and control areas. Management is able to determine the form and content of such additional information to meet the special needs of the information report is from such additional information outside the scope of this framework, however, the financial data are published mainly rely on the information used by management about the financial position and performance evaluation and changes in financial position of an entity(paragraph 10 (b), (ASB, 2009).

3. *Determine the nature of the information to be disclosed:* Disclosure is currently by traditional financial statements, namely:i) List of financial position, ii) The income statement, iii) Retained profits, iv) Statement of changes in financial position, and v) Background information in the attached notes. Therefore, we find that weshould focus on the quality of disclosed information about them instead of focusing on the side of how the information disclosed.

(c) Qualitative characteristics of financial statements

Necessary working capital companies market the law of its shares in the stock market need to publish its financial statements and is therefore essential to rationalize the decisions of investors, where we can say that reading the budget is the first step in transparency and key investment decision properly without it becoming the investment process in its entirety mysterious process based on speculation and rumors and here The importance of accounting disclosure as a way for accurate reading of the budget items where is the function of accounting disclosure of the basic functions of accounting, through the organization produced the information through their lists, financial reports and are reviewed the content of those lists by an external auditor in support of increasing the efficiency of accounting disclosure because the report Auditor is one of the most important financial reports published what information contained therein may not disclose the financial statements.

The financial statements are the most common form of the provision of the necessary for use on the scope of the information in these lists it is in accordance with the generally accepted accounting standards issued by professional associations and bodies supervising the capital market or included in corporate laws in some cases, which are:i) Balance sheet, ii) The income statement, iii) List of money sources and uses, iv) The cash flow statement, and v) A statement of changes in equity.

(d) Methods of disclosure

There are many ways and means of accounting disclosure, which can help users to understand the information and make the right decision and stop the trade-off between the way and the other on the nature of the required information and its importance relative here are more of these methods commonly used.

1. *Disclosed by the financial statements:* Where is the basic information emergence at the heart of the financial statements in a way helps to disclose terms of the form and order of these lists, for example, the balance sheet shows the terms of the assets and liabilities of the entity as well as property rights and may be disclosed appropriate rearrange tabs asset items relations and liabilities to fixed and current assets and liabilities of fixed and current assets, or cash and non-cash and liabilities of monetary and non-monetary or subtracted current liabilities from current assets to gain access to working capital to other ways tab.
2. *Use clear terminology and accepted:* mm no doubt that the use of the clear terms and the amount of detail in the information no less important than disclosure at the heart of the financial statements previously referred to and should use terms that reflect the exact meaning and well known to the users of the information, taking into account the unification of terminology for the same meanings in all the reports until the user takes advantage of information which otherwise become misleading disclosure in the case of the reverse occurs.
3. *Information in brackets:* This is done in the heart of the financial statements in the case of some of the items that cannot be understood from their titles only, without elaborating and lengthening so it can explain such items as notes brief parentheses, such as method of evaluating a particular item / restricted assets mortgage or make a brief explanation and to the other of the notes.

4. *Notes and footnotes:* The way the notes and the margins of the important means for providing information disclosure may be difficult to provide in the heart of the financial statements but it should not be relied upon heavily in the disclosure rather than the financial statements.
5. *Reports and tables attached:* This method is used to show some additional information and details that are difficult and even impossible to show in the heart of the financial statements has been the method used within the means notes and footnotes or in the form of an independent and other reports.
6. *Chairman's Report:* this report is a complement to the financial statements, and without which it is difficult to explain much of the financial statements information.
7. *External Auditor's Report* of the External Auditor's report is a means secondary disclosure and is not a major way as it can to assure disclosure or non-disclosure of certain information by observations or reservations cited by references in his report.

3. THE INTELLECTUAL FRAMEWORK FOR THE PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

(a) Financial statements and the needs of users of information

It includes users of financial statements current and prospective investors, employees, lenders, suppliers and other trade creditors, customers, government agencies and the public in general. It uses these financial statements to meet the diverse needs of some information.Although the financial statements do not meet all the needs of those users of the information, however, there are common needs of these users. Financial Data that meets the needs of investors who bear the risk capital - will also meet most of the needs of other users.

It is the preparation and presentation of financial statements of an entity primarily the responsibility of management responsibility. Leaders are also concerned with the information contained in the financial statements, although it is available with access to administrative and financial information additional to enable them to perform their basic functions in planning and decision-making and control areas. Management is able to determine the form and content of such additional information to meet the special needs of the information. The report of such additional information outside the scope of this framework, however, the financial data are published mainly rely on the information used by management about the financial position and performance evaluation and changes in financial position of an entity.

(b) Financial statements of objectives

Financial statements are intended to provide information on the financial condition and results of operations and changes in financial condition of the facility stating many categories that you use in making economic decisions.Meet the financial statements prepared for this purpose the common needs of most users. However, these data do not provide all of the information that may be needed by users in making economic decisions. This is due to a large extent that these data reflect the financial implications of historical events and do not necessarily provide non-financial information.

Financial statements also show the results of evaluation of management efficiency in carrying out their duties and help hold them accountable for the resources entrusted. Users who wish to evaluate the efficiency of the management and accountability to take economic decisions may include, for example, the decisions to retain their investment in the facility or sold or whether it is necessary to change the management and aims.

4. FINANCIAL POSITION AND RECOGNITION OF LIABILITIES

It admits clause liabilities in the balance sheet when it is likely to flow to the outside of an entity with economic benefits as a result of resources to fulfill the obligation, and that the value of this commitment can be measured reliably. In practice not usually recognized in the financial statements of the obligations of the contract have not fully implemented by both parties (such as liabilities for the goods ordered were not received). However, it can be updated to the definition of liabilities may be eligible for recognition if they meet the measure of recognition under those circumstances. In this case, the recognition of liabilities entails recognition of the assets and associated expenses.

- The elements that are directly related to the measurement of financial position are assets, liabilities and equity.
- Clarify the definitions of assets and liabilities of the main characteristics without trying to determine the standards that must be met before recognized in the budget.
- In determining whether the item meets the definition of an asset or liability or equity is required to pay attention to the substance and economic reality and not just a legal form.
- Can be prepared according to the current budget contains IAS on the items do not meet the definitions of assets or liabilities not presented within equity.

(a) Income

The definition of income includes all income and gains. Revenue from ordinary activities of the entity is created and is referred to with different names such as sales, fees and interest, dividends, rental income and franchise rights.

Gains represent other items that meet the definition of income, whether due to established normal activities or not. The gains increase valuable economic benefits and thus do not differ from normal revenue. So according to the current framework of the gains it is not considered a separate element of the elements of financial statements.

Gains include, for example, those arising from the disposal of non-current assets. The definition of income also includes unrealized gains, for example, those arising from the re-securities that have evaluated a viable market and those that arise from the increase in the carrying value of long-term assets. When the gains recognized in the income statement, it is usually presented separately, as such information useful for the purpose of making economic decisions. The show is usually gains net of related expenses.

Income may involve access to many types of assets or enhance their value, and examples of those cash or debtors and the goods and services received in exchange for goods and services provided. It can also arise as a result of income to meet liabilities. For example, an entity that provides goods and services to one of the creditors to meet its obligation to repay a loan owed.

Income is recognized in the income statement when it produces an increase in future economic benefit associated with an increase or decrease of assets and liabilities that can be measured reliably. This actually means that income recognition is simultaneously with the recognition of an increase of assets or decrease liabilities (for example, the net increase in assets or decrease in liabilities that arise from the sale of goods or services, or a decrease in liabilities as a result of the waiver of the debt repayable).

Procedures to be followed in practice usually for the recognition of income is the application of the criteria set out to verify the current framework, for example, requiring the need to gain revenue. But those actions directed generally to the income that is recognized on those items that can be measured reliably items is limited, and available with sufficient degree of certainty.

(b) Expenses

It includes the definition of expenses and losses as well as those expenses that arise from the ordinary activities of an entity such as sales, wages and depreciation cost, and usually take the form of an outflow or enforceability of assets such as cash and cash equivalents, inventory and operational assets durables.

Other losses those items that meet the definition of expenses, whether resulting from ordinary activities of the entity or not represented. And involve losses to decline in economic benefits and therefore do not differ in nature from other expenses so it is based on the current framework of the losses is not considered a separate element of the elements of financial statements.

Losses include, for example those arising from disasters such as fires and floods, as well as those arising from the disposal of non-current assets. The definition of expenses also unrealized losses, for example, those arising from the effects of the rise in foreign currency related to loans borrowed established that foreign currency exchange rate. When losses are recognized in the income statement it is usually shown separately because knowledge of them is useful for the purpose of economic decision-making. The show is usually losses net of related income them.

Expense recognized in the income statement when the resulting decline in economic benefits associated with the decrease of assets or an increase in liabilities, which can be measured simultaneously with the recognition of the increased liability or impairment of assets (for example, benefits entitlement workers or equipment consumption).

Expenses recognized in the income statement on the basis of a direct link between the cost incurred and the acquisition of one income. This process, called the costs generally require recognition of revenue interview correlated or joint income and expenses that resulted directly or in partnership of the same processes or other events. For example, it recognizes the various components of the expenses that make up the cost of sales at the same time as the recognition of income resulting from the sale of goods. However, the application of the principle of the interview in the current framework does not allow the recognition of items in the budget does not meet the definition of assets or liabilities.

When predicted the emergence of economic benefits during several periods, it is the recognition of expenses in the income statement based on a logical and consistent distribution procedures. This is a procedure usually necessary for the purposes of the recognition of expenses related to the use assets such as equipment, construction, equipment, goodwill, patents and trademarks, and calls it in those cases consumption expense or reduced (put). The aim of the distribution of those procedures to the recognition of expenses in the accounting period in which the use or the exhaustion of the economic benefits related thereto.

Expense recognized immediately in the income statement when they do not achieve the spending future economic benefits or when, and to the extent that he has become the future economic benefits do not qualify for recognition as an asset in the budget.

Expense also recognized in the income statement in the cases that give rise to an item of liabilities items without being recognized as an asset, such as arising from products sold to ensure compliance.

5. MEASURING ELEMENTS OF FINANCIAL STATEMENTS

Measurement is the process of determining the financial values that must be registered with the elements of financial statements and appear in the balance sheet and income statement so choose a specific measurable basis.Several different measurement bases applied in varying degrees and interventions in the financial statements.

It is the historical cost basis is the most commonly used by the base facilities for the purpose of preparing the financial statements. It is usually integrate this basis with other measurement bases. For example, the stock usually appears at cost or net realizable value, whichever is less. It can also show investments in securities at market value, and are associated with the retirement plans of employees at their current liabilities. In addition, some facilities are using the basis of the ongoing response to the inability of the historical cost accounting model to deal with the effects of changing prices of non-financial assets cost.

(a) Presentation of Financial Statements

Financial statements are the financial offer structural financial position of the business and operations of, and the goal of general purpose financial statements provide information about the financial position of the business and performance and cash flows, which is beneficial to a wide range of users when making economic decisions, as the financial statements show results assume administration resources entrusted to them, and to achieve this goal provides the financial statements information about the following:i) Exists T. facility, ii) Established liabilities, iii)Shareholders' equity, iv) Income and expenses established including profits and losses, and v) Cash flows.

(b) Accounting policies

Management should select and apply accounting policies for the facility to comply with the financial statements for all the respective international standard accounting requirements applicable to the interpretation by the Standing Committee interpretations.

The accounting policies are the principles and foundations, customs and specific rules and practices adopted by the entity in the preparation and presentation of financial statements.In the absence of specific international accounting standard and interpretation of the Commission of the Standing Interpretations management must use its judgment to develop an accounting policy provides more useful information to users of financial statements of the entity.

(c) Comparative information

What it did not require or allow an international standard that otherwise must disclose comparative information with respect to the previous period for all the necessary information in the financial statements and comparative information should be entered in the narrative and descriptive information when it is necessary to understand the financial statements for the current period (FASB, 2012). In some cases narrative information contained remain in the financial statements for the period / previous periods appropriate in the current period, for example, it is disclosed in the current period details of a legal dispute were not its outcome uncertain in the history of another balance sheet has not been resolved yet, and users of financial statements benefit from the information that there is a doubt in the last balance sheet date and the steps taken during the period to remove the doubt (Alali *et al.*, 2016).

When the modified presentation or classification of items in the financial statements must reclassify comparative amounts, unless it is impracticable to ensure comparability with the current period, and must disclose the nature and amount of and the reason for any re-classification, and when they are reclassified comparative amounts impractical must entity shall disclose the reason for not re-classification, the nature of the changes that they will be if the amounts were reclassified.

There may be circumstances when there is no reclassify comparative information process to achieve comparability with the current period. For example, there may be no data collected in the period / previous periods a way that allows reclassification, and may not be practical to revive information. In these circumstances are disclosed the nature of the adjustments to comparative amounts that they will be, and deals with international Accounting standard No. (8) Adjustments required to comparative information following a change in accounting policies that are applied retroactively.

6. IDENTIFY THE FINANCIAL STATEMENTS

The financial statements should be clearly identified and distinguished from other information in the same published document.International Accounting Standards apply only to the financial statements and not to other information provided in an annual report or other document, and it is important that users can distinguish between information prepared using international accounting standards, and other information that could be helpful to users, but it is not a subject standards.

You must specify each part of the financial statements parts clearly, moreover the following information must be prominently displayed and return them when necessary to understand the information presented properly (Hendrickson &Vanbreda, 1992).

(a) Balance sheet

Information that must be displayed in the face of the balance sheet date.It must balance sheet contains at its heart a minimum on items that display the following amounts.

- Property, plant and equipment.
- Intangible assets.
- Financial assets.
- Investment has accounted for using the equity method.

- Inventory.
- Trade receivables and other receivables.
- Cash and cash equivalents.
- Other trade payables.
- Tax liabilities and assets according to IAS require No.12- income taxes.
- Provisions.
- Liabilities Non-current interest-bearing.
- Issued share capital and reserves.

You must display items, headings and subtotals in the face of the balance sheet when an international accounting standard requires, or when the offer may be necessary to conduct a fair presentation of the financial position of the enterprise. This standard does not indicate the arrangement or shape made by the items. The judgment on whether additional items are separately presented is based on an assessment of:

A nature and liquidity of assets and materiality that lead in most cases to display independent of the goodwill and assets arising from the development of monetary and non-monetary assets and current and non-current assets and expenses.To work for leading items within the facility, for example, to independently offer operational and financial assets, inventories, accounts receivable and cash and cash equivalent assets.

In some cases, the assets and liabilities that differ in nature or work under the foundations of a different measure, for example, can record certain categories of property, plant and equipment by cost or by exaggerated re-evaluated under IAS 16, and suggesting the use of the foundations of different measurement categories different from the assets that nature or work differently and that it shall be presented as separate (Cunningham *et al.,* 2000: 765).

(b) Information presented in either the balance sheet or in the notes

An enterprise should disclose either in the face of the balance sheet or in the Notes to the balance sheet as other sub-categories of the items shown are labeled appropriately for the operations of the facility, and must be compiled each item into sub-types when appropriate by nature, and should be disclosed separately from the amounts the creditor and the debtor and the parent and its subsidiaries and associates and other related parties.

Detail contained in the sub-classification depends either in the face of the balance sheet or in the notes on the International Accounting Standards requirements and the size and nature of the work of the relevant amounts.

An entity should disclose what follows either in the face of the balance sheet or in the notes:

- Type of share capital
- The number of authorized shares.
- The number of shares issued and fully paid, and the number of shares issued but not fully paid.
- Par value per share, or that the shares have no nominal value.

- Identical to the number of shares outstanding at the beginning and end of the year.
- The rights, preferences and restrictions that category, including restrictions on the distribution of dividends and the repayment of capital.
- Its shares owned by the entity itself or its subsidiaries or its associates that.
- Stock held for issuance under options and sales contracts, including the terms and amounts.
- Description of the nature and purpose of each reserve within owners' equity.
- The amount of the proposed stock distributed or declared dividends after the balance sheet date but before the financial statements was issued.
- The amount of any cumulative preferential dividends are not recognized.

An entity that is without shareholder capital such persons shall disclose information equivalent to the information required above must set forth movements during the period in each category of equity interest and the rights, preferences and restrictions of each class of share ownership.

(c) Information that must be displayed in the face of the income or in the notes

An enterprise should be presented either on the face or in the income statement Notes to the income statement analysis of expenses using a classification based on either the nature of expenses or work within the facility.

An entity presented as a separate component of its financial statements list must show the following:

1. Net profit or loss for the period.
2. Each item of income or expense or profit or loss is directly recognized by other standards requirements in shareholders' equity and the total of these items.
3. Cumulative effect of changes in accounting policy and correction of major mistakes that have been dealt with under the standard processors in the International Accounting Standard No. (8).

In addition, an enterprise should be presented within this menu or in the notes the following:

4. Capital transactions with owners and distributions to owners.
5. Balance of accumulated profit or loss at the beginning of the period and at the balance sheet date.
6. Movements during the period.
7. Matching between the carrying value of each class of common stock of capital and share premium and each reserve at the beginning and end of the period set out independently every movement.

Reflect changes in the equity facility between two dates of the balance sheet increase or decrease in net assets or wealth during the period under the particular measurement principles that have been adopted or disclosed in the financial statements, with the exception of changes resulting operations with shareholders such as contributions and capital gains represents a change in total shareholders' equity Total profits and losses generated by the enterprises activities during the period (Hayali, 2007a; 2007b).

(d) Showing accounting policies

Should your accounting policies section of the notes to the financial statements appear as follows?

The basis (foundation) of measurement used in preparing the financial statements:

Each specific accounting policy is necessary to understand the appropriate financial statements.In addition to the specific accounting policies used in the financial statements it is important for users to be aware of the measurement basis (bases) used (historical cost, current cost, realizable value, fair value or present value) because they form the basis of the financial statements as a whole, "the preparation and when there is more than one measurement basis used in the financial statements, for example, when the revaluation of certain non-current assets, it is sufficient to provide an indication of the assets and liabilities, which are applied by all measurable categories basis.When deciding on the disclosure of specific accounting policy, the Department must consider whether disclosure would assist users in understanding the way they reflect the transactions and events in the performance report and financial situation presented to them.

Each facility must consider the nature of the operations and policies which are expected to be detected from this type of facility, for example, it is expected of all sector institutions and the private disclosure in accounting policies for income taxes, including deferred taxes and tax assets used, and when an enterprise's operations or significant foreign transactions in foreign currency, it is expected disclosure of accounting policies for the recognition of gains and losses on foreign exchange and hedging of such gains and losses, and in the consolidated financial statements are disclosed policy used for determining goodwill and minority interest (SABIC, 2009).

7. CONCLUSION

The current study highlighted the different components of accounting disclosure. Accounting disclosure represents one of the fundamental responsibilities of the corporations in this era. It has been found that business houses are making a fair amount of disclosure of their accounting information to keep their stakeholders informed about the financial performance of business. Stakeholders being much more aware than earlier demand the disclosure of financial performance and thus be assured of good returns on their investment. Moreover, governments across the globe have introduced regulations make disclosure of accounting information mandatory. Besides disclosure of financial performance, corporations these days are required to make disclosure of certain non-financial aspects of their business.Disclosure of accounting information brings transparency in accounting practices followed by accountants thereby reducing the scope of fraudulent practices. It can be concluded that mandatory disclosure of accounting information has increased the fiscal revenue of the governments across the globe owing to reduction of practices like falsification of accounts, inflation of expenses, concealment of incomes so on and so forth.

REFERENCES

Alali, H., R. Wishah, *et al.* (2016), "E-Marketplace Legal and Regulatory Framework in Jordan: A General View." *Journal of Theoretical and Applied Information Technology* 85(2): 221.

SABIC, (2009), "International accounting standards issued by the International Accounting Standards Committee."Annual report of the company SABIC in 2009.

Cunningham, Billie M., & Nikolai, Loren A. & Bazley, John D., (2000), "Accounting Information for Business Decisions", the Dryden Press HarcourtBrace College Publishers, pp 765.

Schiff, J., A. Schiff, *et al.* (2012), "Accounting for contingencies: Disclosure of future business risks." Management Accounting Quarterly 13(3): 1.

Hayali, WalidNaji, (2007a), "accounting theory" - Arab Academy in Denmark.

Hayali, WalidNaji, (2007b), "Accounting Information for Business Decisions", Arab Academy in Denmark, pp. 311.

Hendrickson, Eldon S. & Vanbreda, Michael F., (1992), "Accounting theory", 3rd ed., Irwin, 1986. 5th ,ed , Irwin , Inc.

Meigs, Walter B., Mosich, A. N. Johnson, Charles E. & Keller Thomas F. (1974), "Intermediate Accounting", 3rd ed. McGraw – Hill Book Com.

Meigs, Walter B., & Meigs, (2011), Roport F. Financial Accounting,. 3rd ed.

ASB, (2009), "International Accounting Standards Board, International Accounting Standard" No. 37, Provisions, Contingent Liabilities and Contingent Assets, paragraph 10 (b).

FASB, (2012), "Financial Accounting Standards Board. Statements of Financial Accounting Concepts". Homewood, IL: Irwin.

FASB (2009), Accounting Standards Updates: An Amendment of the FASB Accounting Standards Codification, Financial Accounting Foundation Financial Accounting Standards Board.