

The Quality of Financial Reporting According to International Standards of Non-Profit Organisations Operating in Iraq

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The number of non-profit organisations operating in Iraq has rapidly increased since the events of 2003. Those organisations are characterised by multiple activities, notably humanitarian assistance, culture, and human rights. Because Iraq is somewhat new to this type of organisation, this paper investigates the financial reporting of non-profit organisations, and the extent to which they meet the standard of FAS 117 requirements. It has been noticed that those organisations did not present sufficient financial statements, which negatively impacted the quality of financial reporting, and they did not meet the needs of the stakeholders to the financial information. The study uncovered that the adoption of the standard FAS 117 by those organisations would improve the quality of financial reporting, and increase the users' confidence of their financial information.

Key words: *Non-profit organisations, Financial reporting, International standards.*

Introduction

A non-profit organisation primarily aims at supporting or engaging in an activity or a number of public or private activities without any commercial aim or profit-making interest. This form of organisation is active in various areas such as humanitarian assistance, environment, animal



protection, education, arts, healthcare, social issues, charities, politics, religion, research, sports, and other endeavours.

In light of the political, social and economic changes recently witnessed in Iraq, many non-profit organisations have emerged, and they have undertaken many training and educational tasks and programs. The spread of these organisations grew in Iraq, especially after 2003 when the country was exposed to external and internal wars, and society had suffered from exhaustion and weakness. These organisations have to follow the same course of the organisations' work in other countries. The most important thing that can give a clear picture of the performance of these organisations and an opportunity to evaluate their activities, is the level and nature of their financial reporting, which has the effect of increasing the trust of their financiers. It is noticed that many of the organisations working in Iraq are inaccurate in preparing their financial statements, and most of them only prepare lists of activities thinking that they are enough to have a clear perception about their financial resources and how they were distributed. These organisations are inattentive to the necessity of the preparation of financial position and cash flow attached to notes which are so important to access the required financial reporting according to the international standards, especially the 117 FAS standard.

The researchers aimed at highlighting the reality of financial reporting by the non-profit organisations in Iraq and the importance of adopting international standards to improve this reporting process through the focus on the implementation of the international standard No. 117. It is supposed that the NPO adopting this standard will improve the process of their financial reporting and increase the users' confidence in their financial information.

The importance of studying the output of non-profit organisations and improving it is as important as the output of the for-profit organisations, since the two are part of society and provide services regardless of their goals, whether profitable or not.

Literature Review

Non-profit organisations are essential to the quality of today's life because they provide valuable programs to serve people. Although they do not work to achieve profit, they represent independent entities that should be viewed as profit-making units in relation to their transactions, preparation of financial statements, Tax declarations, and financial supervision. There has been a great deal of literary work done on several aspects concerning non-profit organisations. Cutt and Murray, 2000 and Ebrahim, 2010 addressed the accountability of non-profit organisations, and they expanded the view of financial accountability through merging the treatment of performance evaluation and accountability of non-profit organisations. Ebrahim (2010) displayed a general view about the accountability pressures facing leaders of non-profit organisations. Then he presented some mechanisms to assist those organisations in the areas of disclosure, performance appraisal, self-organisation, participation and adaptive

learning. There has been increasing coverage by media and the profession of accounting about how non-profits report their management and overhead costs. Pollak and Rooney, 2001 made the first step towards understanding and explaining what the management and overhead costs of the non-profit sector look like, and how the institutional characteristics in a small way matter in explaining the differences of management and overhead costs of non-profit organisations. Keating, 2001 explained that the primary reason for assessing non-profit financial performance is to determine the extent of the organisation's mission performance. Financial figures alone cannot answer this question, but they can provide insight into the sources of funding, the cost of delivering services, and the ability of the organisation to work in the future. Paglia, 2010 demonstrated the fundamental accounting principles required for NPO, rational analysis behind these processes, and assessment of the potential donors including the accounting information in their donation decision. Zainon et al, 2011 concluded that the basic future financial information is considered the most important information from the founders. Xie and Ding (2013) examined if there is some important financial information that affects the individual and institutional donations to non-profit organisations.

Maintaining adequate accounting records requires a significant investment of time and the organisation's resources in relation to the efforts to achieve transparency for private donors, meet the legal obligations of the various countries where operations are undertaken, and ensure that program funds are used to meet humanitarian activities. Ledgerwood and Morgan, 2012 figured the most important challenges which hinder keeping the financial records complete. Lanckswertdt, 2013 focussed on the financial statements and the various registries of small non-profit organisations, trying to develop a general picture of small non-profit organisations' compliance with the systems. Szperr, 2013 tried to clarify the impact of the external reviews on the behaviour of non-profit organisations using the financial statements of those organisations provided in their models IRS 990.

Chikoto and Neely, 2016 studied the financial health of non-profit organisations with their two main dimensions (financial stability and financial growth) through comparing non-profit organisations that show high levels of financial stability and growth (high financial performance) to those showing low levels (low financial performance). Overall, they found that high-performing financial organisations (HFPs) tend to be older and larger ones in terms of unrestricted net assets and total revenue, and they are likely to report capital assets and high levels of compensation. Conducting numerical analysis, Caneghem (2016) investigated the accuracy of the figures reported in the NPO financial statements; basing on Benford's Act, he compared the observed frequencies of the numbers to the expected. Mohamed, 2016 discussed the problem of applying different accounting policies with the probable use of incorrect accounting methods that have their reflection on the financial performance method of non-profit organisations.

Al-Hashim (2013) diagnosed the poor knowledge and experience of non-profit officials in the Iraqi environment with respect to financial or accounting management, particularly with regard to sustainability decision making. The current study primarily focussed on Iraqi non-profit organisations' financial reporting according to international standards because the Iraqi environment has recent experience in such organisations, and it indicated the clear weakness of the methods of financial reporting of their financial activities. It is noticed that they depend on preparing only one list – list of activities – to report their events, which negatively reflects on the users' decisions that prompted the researchers of the current study to monitor this situation, and then conduct a survey of the users' views on the importance of applying the International Financial Reporting Standards of NPO funds.

Methodology

The methodology of the current research is based on a qualitative archive study using secondary sources of information to identify the financial reporting according to the applicable laws of non-profit organisations operating in Iraq and their compliance with the requirements of Standard 117. In addition, the research studies and evaluates the financial statements of one of the NPOs, which is attached to the Arab League, operating in Iraq. Then, the researchers used a survey to investigate a sample of 30 views of those who have close relationships with non-profit organisations – from internal bodies as members, managers, and accountants as well as external bodies as donors, governments, and agencies – to canvass their views about the current financial reporting of non-profit organisations working in Iraq, and determine the extent of their compliance to the needs of financial information reporting of these organisations, and the impact of the preparation of an integrated set of financial statements in accordance with the standard 117 to improve the quality of financial reporting of these organisations in the Iraqi environment.

The Importance and Requirements of NPOs Financial Reporting

Non-profit organisations (NPOs) play influential and powerful roles worldwide at present. They cover various aspects of social activities, such as religion, politics, education, health, environment, charity, etc. (Zi, 2010). Besides, they are voluntary; citizens organise them on a local, national or international basis. The focus of their work is on specific tasks led by people of common interests to perform a variety of humanitarian services and functions (Annan, 1997). They are units that do not aim for profit, and do not have the intended will to make a surplus of their activities. The interested persons have no ownership rights, therefore, NPOs do not move by selling or exchanging (Al-Ansari, 2001). Accounting for non-profit organisations has become an important and interesting topic. The local technical staff has to pay for services to help people while they are funded through grants or donations, not through market transactions of selling products or services; this makes their requirements to treat their financial

processes different from the commercial accounting in many ways. Instead of focussing on marking the percentage of profit from the difference between income and expense, non-profit organisations focus on the impact of money. (Zi, 2010)

When something is transparent, one can clearly see through it, and this is what non-profit organisations must achieve. Stakeholders must be able to look within the organisation to know how to implement their programs, use funds, and make decisions. Non-profit organisations must practise transparency by providing accurate and timely information about their activities, funds, policies, procedures, and decisions. If non-profit organisations are not transparent, they will not be able to submit themselves for accounting, and others will not be able to submit them for accounting. Achieving transparency helps them to build trust in society. Gaining the trust of society is the necessary key to enabling the organisation to carry out its mission. On the contrary, the loss of social trust in the organisation will likely decrease their participation in its programs or seeking its services (Aviles, United States Department Of State).

Paragraph No. 4 of the standard 117 determined the primary purpose of the financial statements to be prepared by non-profit organisations (NPOs). They must provide relevant information to meet the common interests of donors, members, creditors and others who finance the non-profit organisations. External users of financial statements have common interests: (A) the services provided by the organisation and its ability to continue, and (B), how managers perform the supervision responsibilities and other aspects of their performance.

The complete financial statements set of non-profit organisations must include the statement of financial position at the end of the reporting period. They must also include the report of activities and statement of cash flows for the reporting period and the accompanying notes to the financial statements – Paragraph (6) of standard 117.

Statement of the Financial Position

The primary purpose of the statement of financial position is to provide the information relevant to the assets, liabilities, net assets and the organisation's relationships at a certain point in time. The presented information of the financial statement position that is used with relevant disclosures and information of other financial statements helps donors, members, creditors and others to assess (a) the institution's ability to continue to deliver services, and (b) the organisational flexibility, financial liquidity, and the capacity to meet its obligations and external financing needs (Paragraph 9 of International Standard 117). The statement of the financial position focusses on the organisation as a whole and reports the total and net assets and liabilities (Paragraph 10 of Standard 117).

This statement is similar to the balance sheet statement of commercial companies in terms of the accounting equation – assets equal liabilities plus net assets. It lists the values of all assets kept by the organisation and the values of all outstanding debts, but the statement of the financial position also reports the net assets of the organisation. Like property rights, the net assets section refers to the "value" of the non-profit organisation. However, the statement of the financial position of the restrictions also divides this value into temporarily restricted, permanently restricted, or unrestricted assets. These classifications are used to separate funding based on any of the restrictions imposed by each donor on how their funds are spent.

The listed items of the Financial Position Statement enable the organisation to address several important areas: solvency, resources and outstanding liabilities. The Organisation is solvent if the current assets are greater than the current liabilities. The good rule is to maintain a reciprocal ratio of 2: 1 assets to liabilities. If liabilities are greater than assets, the organisation may face or faced severe financial problems. When the organisation audits its resources, the administration can determine whether there are any assets that can be used to supplement the payment of outstanding debts. The administration must consider what the organisation owes, and determine when these outstanding liabilities are due. The most common types of obligations of the organisation are accounts payable, grants payable, recoverable advances, external dues, long-term debts, unrestricted assets, temporarily restricted assets and Permanently restricted assets (Keating, 2001).

Statement of Activities

The primary purpose of the activities statement is to offer information related to: (a) the effects of transactions, events and other circumstances that change the amount and nature of net assets, (b) the relationships of those transactions, other events and circumstances with each other, and (c) how the organisation's resources are used to provide different programs or services. The information of the activities statement used with the disclosures and related information helps donors, creditors, and others in other financial statements to evaluate: (i) the organisation's performance during a period of time, (ii) the organisation's service efforts and the ability to continue offering services, and (iii) how the organisation's managers have the authority to run the responsibilities of supervision and other functions (Paragraph 17 of Standard 117).

This statement is considered an alternative to the income statement used by profit-making companies; it reports the change of the permanently restricted, temporarily restricted and unrestricted net assets. The general equation of net assets of profit-making companies is revenue minus expenses. Non-profit organisations offer the changes of funds that enter the organisation in return for operating costs.

Statement of Cash Flows

The main purpose of the cash flow statement is to provide relevant information about the organisation's cash receipts and payments during a period of time (Paragraph 29 of Standard 117). In non-profit organisations, the cash flow statement is prepared according to the same procedures used by profitable companies. They have similar classifications to the performance of operating, investment and financing activities to clarify where the money comes from and how it is spent. The cash flow statement documents the cash surplus, or cash deficit balance changes to help non-profit organisations track changes of cash flows to know whether they have sufficient cash supply to cover the program and support needs.

Notes

Notes are valuable to understand how the financial statements have been prepared, indicating whether the organisation is tracking cash or on the basis of accrual accounting. The notes provide additional information about equipment depreciation, loan terms, lease obligations, other potential liabilities, voluntary services and other contributions.

Financial Reporting of Non-Profit Organisations Operating in Iraq

There are currently 3648 non-profit organisations in Iraq, among which 3541 are local organisations. The majority of these organisations were represented by humanitarian aid, education, health, public services, agriculture, women's affairs, special needs, culture, media, youth, sustainable development, art, human rights, environment, economic development, children, orphans, democracy, and relief. Humanitarian organisations ranked first among the whole ones; they represented 14% of all organisations operating in Iraq, then the cultural organisations represented 12%, and human rights organisations represented 11%. These organisations operate under the supervision of the Non-governmental Organisations NGO section attached to the Iraqi Council of Ministers under the NGO Law No. (12) of 2010. According to NGO Law No. 12 of 2010, each organisation must annually submit the following to the NGO section: Article (15)

- A. A single financial report that includes a detailed description of the organisation's sources of funding and financial transactions,
- B. A report about the organisation's activities including a brief overview of the projects implemented by the organisation during the year,

The law in Article (18) determined the records that must be kept as the following ones:

First - Members: this record is for writing the names of the organisation's members, their addresses, nationalities, ages and occupations.

Second - Decisions: this kind records the decisions of the General and administrative bodies.

Third - Accounts: the organisation's revenues and expenses are recorded in these records.

Fourth - Funds: this kind of record is used to record the organisation's movable and immovable property, description and costs.

Fifth - Activities and projects: this record is used for recording the type of activity or project, the source of funding and what the benefit is.

The organisation is obliged to keep its accounting records in accordance with the legally approved accounting principles. An organisation whose annual budget exceeds 75 million Iraqi dinars conducts an annual internal audit of its accounts by chartered accountants under Article No. 19. If the NGO section finds that the financial records of the organisation are inaccurate, and there is some kind of manipulation, they can coordinate with the Office of Financial Supervision to audit the accounts of the organisation (Article No. 20).

The financial and the activities reports submitted by non-profit organisations to the non-governmental organisations section include the following:

1. General information about the organisation
2. Table of bank accounts
3. Revenues and expenses statement which includes the organisation's revenues during the year plus the surplus of the previous year minus the deficit of the previous year, and annual fixed and variable expenses. Then, the surplus or deficit of current operations is extracted as in the equation: total annual revenues minus total annual expenses
4. Activities statement: this is a list summarising the organisation's activities during the year including the name of the activity, its type, location, date and number of beneficiaries and donor(s)
5. Details of revenue statement include information about each kind of funding in terms of type, date of receipt, name of the entity and amount
6. Assets inventory statement
7. The organisation's management report which includes the organisation's branches, its administrative body, the salaries of the administrative body and staff and contracts concluded by it.

A case study of the Arab Union of the Specialised Woman

Biography

The Arab Union of Specialised Women is an Arabic organisation established within the framework of the Council of Arab Economic Unity under the umbrella of the League of Arab States; its headquarter is in Cairo, the capital of the Arab Republic of Egypt. The Iraqi branch of the union was opened according to the approval of the Council of Economic Unity on the second of June in 2016.

Target

The Union aims at enhancing Arab cooperation and empowering women politically, economically, socially, culturally and scientifically, and deepening their participation and effectiveness in Arab society as they play a key role in achieving comprehensive sustainable development through 17 sectors divided into different fields related to women, such as health, culture, education, creativity and development, financial affairs and planning, economics, media, etc.

Finance

The Union mainly relies on funding from the contributions of its 43 members, and it aspires to increase its funding by the government or external donors.

Result:

In reference to the financial statements prepared by the union, it was noticed that they prepare only a statement of expenses and revenues, and as it is shown in the following form:

Table 1: List of revenues

the details	Amount in JD	Amount in USD
Subscription revenue	5375000 Iraqi Dinar	4300\$

Table 2: List of expenses

NOTS	the details	Amount in JD	Amount in USD
For six months to 1/7	Electricity, generator and Internet	1500000	1200\$
December 2 Board meetings	Hospitality + Stationery	70000	56\$
February	Women Empowerment Workshop	265000	212\$
April	Symposium of the Iraqi University	55000	44\$
May	Education Symposium	125000	100\$
June	A Ramadan evening in the IDP camp	125000	100\$
The expenditure is more than the revenue for 2016	Expenses of previous years	1920000	1536\$
It was handed over to the General Headquarters in Cairo	20% of the revenue of the branch	1075000	860\$
Expenses	total summation	5135000	4108\$

The above-mentioned case study showed that the organisation had not met the requirements of the NGO Law No. (12), 2010; it had neither provided a table of bank accounts nor an inventory of assets; it was non-compliant with the requirements of Standard No. 117 concerning financial presentation and disclosure statements of non-profit organisations. This standard requires that all non-profit organisations provide statements of financial position, activities and cash flows. Reporting of the organisation's total amounts of assets, liabilities and total net assets requires a statement of financial position indicating the reporting of the organisation's net assets, change in the statement of activities, and the reporting of cash change and cash equivalents in the statement of cash flows. The organisation had not prepared any of the two main financial statements referred to in the above standard, which are the financial position, and cash flows. The organisation had only prepared the statement of revenues and expenses as it is indicated in the tables (1) and (2).

Standard 117 also requires the classification of the organisation's statements in respect to net assets, income and expenses and gains and losses on the basis of the donors' presence or absence. To achieve this requirement, the amounts of each of the three categories have to be classified into net assets, permanently restricted, and temporarily restricted. This information

has to be shown in the statement of the financial position; the amounts of change in each of these categories of net assets have to be shown in the statement of activities. The Financial Transactions Board regulates the cash flow statement according to standard No. 95 in order to extend its provisions to non-profit organisations, and to expand the description of cash flows from financing activities to include some restricted funds of donors that should be used for a long term period. It also requires non-profit organisations to provide a statement of operating expenses which classify them according to functional and natural categories.

This process has a negative effect on the reporting of the organisation's activities leading to vague information about the efforts exerted for women's care. This affects the volume of donations received and undermines the trust of benefactors and donors because external users will know the amount and nature of the assets, liabilities and net assets of the organisation and the effects of transactions and other events which change the amount and nature of net assets, the relationship between inflows and outflows of economic resources during the period, the ability of the organisation to pay its debts, how the organisation gets the money, and how it spends it. All these factors affect the organisation's ability to continue, and create difficulty evaluating its performance and the performance of its managers.

The researchers of the current study conducted a survey of a sample of internal and external users of non-profit organisations' information to uncover their views on the current financial reporting of non-profit organisations operating in Iraq, the extent to which they meet their financial information needs, and the effect of preparing an integrated set of financial statements according to Standard 117 to improve the financial reporting quality of these organisations in the Iraqi environment.

The results of the field study were based on using suitable statistical methods to analyse:

- descriptive methods to show the arithmetic mean, standard deviation, coefficient variation of the studied variables and related questions
- deductive methods to show a double-edged test.

The sample of the study contained 30 views, and the form included 11 questions.

Descriptive Statistics

This requirement is to find the relative importance of the respondents' replies to the eleven research questions, which include the financial reporting quality of users of the financial statements of the non-profit units. This can be represented by Table (3).

Table 3: The results of the answers to the questionnaire

Materiality	Coefficient of variation	standard deviation	Arithmetic mean	the question
1	17.44	0.75	4.3	There is a gap between the appropriate expected information of users of financial statements to make decisions and the current financial statements prepared by non-profit organisations operating in Iraq
4	20.95	0.874	4.17	The preparation of the operating expenses statement is useful to show the relationship between the expense and the service performed, and then the achievements of the non-profit organisation
7	24.03	0.858	3.57	The preparation of integrated financial statements in accordance with international standards provide the performance evaluation of the management and its responsibilities of supervision and performance in the organisation
6	23.68	0.947	4	Presenting notes attached to the integrated financial statements is important for users to provide information about amount and nature of assets, liabilities and net assets of the non-profit organisation
5	23.19	0.944	4.07	The preparation of a cash flow statement by non-profit organisations is important for users to show the quantity and types of inflows and outflows of economic revenues and the relationship between them
2	20.27	0.75	3.7	The preparation of integrated financial statements in accordance with international standards by non-profit organisations gives users an idea of how the organisation obtains its revenues and sustainability
9	26.02	1.033	3.97	Presenting non-integrated statements by non-profit organisations provide incomplete information to users because the financial statements are complementary to each other

10	31.21	1.186	3.8	The importance of presenting integrated financial statements by non-profit organisations according to generally accepted accounting principles is no less important than submitting the financial statements required by the commercial institutions
11	32.95	1.262	3.83	The preparation of the financial statement of non-profit organisations is important for users to provide information about the organisation's assets, liabilities and net assets
3	20.38	0.809	3.97	Presented by non-profit organisations, the integrated financial statements with attached notes demonstrating the organisation's liquidity, sustainability and compliance are important to users
8	25.01	0.858	3.43	The importance of preparing the financial position statement of non-profit organisations comes from reporting the classification of net assets into permanently restricted, temporarily restricted and unrestricted
24.1	0.934	3.89	Total quality indicators of financial reporting	

Table (3) refers to arithmetic means, standard deviation and coefficient variation related to the sample's points of view surveyed concerning the questionnaire questions. It also reflects the variable public arithmetic mean of (3.89); this value is higher than the hypothesised mean value of (3) while the public standard deviation is (0.934), and the coefficient variation is (24.1%).

At the level of questions, the quality of financial reporting was measured by 11 questions, as shown in Table (3). The results were distributed between the highest levels of response which was achieved by the first question. There is a gap between the financial statement users' expectations of appropriate information to make their decisions and the current financial statements presented by non-profit organisations operating in Iraq. The arithmetic mean totalled to (4.3) which is higher than the hypothesised mean totalled to (3); the standard deviation (0.75) confirms a low dispersion between the responses. The ninth question achieved the lowest level of response that mean value was (3.83), and a high dispersion response confirmed by the standard deviation (1.262). The ranking of the quality of financial reporting questions in terms of relative importance is represented by the last column of table (3). The criterion of coefficient variation was adopted to determine the importance that the first question appeared to be the most important.

Inferential Statistics

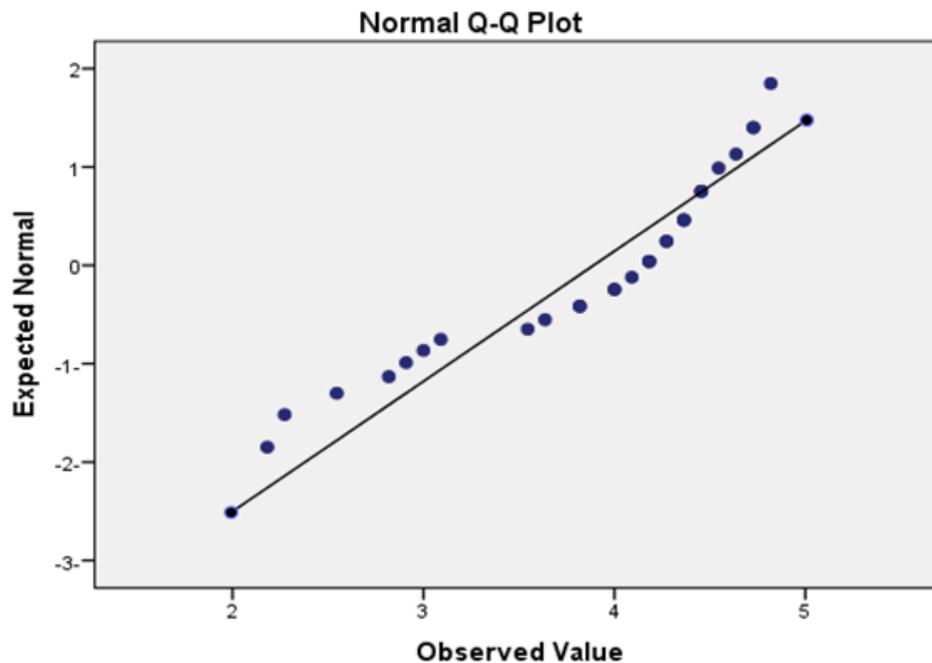
In order to cover the inferential side of the research, the Shapiro-Wilk test was carried out to determine the nature of data and the form of its distribution in order to use the appropriate statistical analysis, whether by using the parametric or nonparametric styles as it is shown in Table (4).

Table 4: The natural distribution of the research variable according to Shapiro-Wilk test

Sig (P-value)	Views	Test statistics	Variable
0.003	30	0.88	Quality of financial reporting

It is concluded from Table (4) that the research variable represented by the quality of the financial reporting has no natural distribution and that the value of the significance difference appeared less than 0.05; this is confirmed in Figure (1). Therefore, non-parametric tests were conducted to carry out the research hypothesized test.

Figure 1. The research variable natural distribution test



In order to know the quality of financial reporting of the users' financial statement of non-profit units according to international standards, the Binomial Test was conducted to test the following hypothesis:

Null Hypothesis: The adoption of Standard No. 117 by NPOs does not improve the information of their financial reporting, and it does not increase the users' confidence in their financial information.

Alternative Hypothesis: The adoption of Standard No. 117 by NPOs improves the information of their financial reporting, and it increases the users' confidence in their financial information.

The answer to the previous hypothesis is illustrated in table (5):

Table 5: Two-way testing of the financial reporting quality by users of non-profit financial statements according to international standards

Sig.	Test ratio	View ratios	Groups	Variable
0.001	0.50	0.20	Group 1	Quality of financial reporting
		0.80	Group 2	

Based on the results of the analysis using the binomial test shown in Table (5), the results showed that the value of Sig. is (0.001), which is less than the level (0.05) which leads to reject the null hypothesis and accepts the alternative hypothesis. In other words, the adoption of Standard No. 117 by NPOs improves the financial reporting of their information and increases the confidence of users in their financial information (Cutt and Murray, 2000).

Concluding Comments

The purpose of this study is to identify the financial reporting of non-profit organisations operating in Iraq, the extent to which they meet the requirements of the internal and external parties related to the organisation from the appropriate information to assist them in decision making and determine the extent of their compliance with the requirements of Standard 117. The results of comparison confirm that there is a significant lack of financial reporting requirements of non-profit organisations under the NGO Law of Financial Reporting Requirements according to Standard 117. Non-profit organisations operating in Iraq are neither required to prepare the financial position and cash flow statements nor present the attached notes, but they are only required to display the activities (Al-Hashimi, 2013).



The field study was conducted on one of the non-profit organisations working in Iraq (Arab Union of the specialised woman). It indicated that there was no obligation to complete all the financial reporting requirements imposed on it according to the laws in force. In addition, they did not voluntarily prepare the financial position, cash flow statements and attached notes. This affected the ability to evaluate the NPO management performance and question it about achieving its objectives, which caused the external parties to be distrustful and reluctant to support and finance this organisation. The revenues of this organisation were limited to only membership fees that lead to negative reflection on the activities of supporting women to retract.

The questionnaire results primarily confirmed that there is a significant agreement that first, the current financial reporting of non-profit organisations operating in Iraq does not meet the aspirations of related parties to obtain appropriate information to make their decisions, and second, the possibility of improving the financial reporting of non-profit organisations through compliance to the financial reporting requirements of the international standard 117.



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Appendix

Characteristics of the research sample

A) Educational attainment: Results are shown in Table (1)

Table 1: The surveyed sample is distributed according to educational attainment

Aggregate ratios	Adjusted rate	percentage	Recurrence	Qualification
70%	70%	70%	21	BA
83.3%	13.3%	13.3%	4	Postgraduate
100%	16.7%	16.7%	5	Other
	100%	100%	30	Total

B) Number of years of experience: Results are shown in Table (2)

Table 2: The sample is divided by years of experience

Aggregate ratios	Adjusted rate	percentage	Recurrence	Years of Experience
26.7%	26.7%	26.7%	8	Less than 5 years
70%	43.3%	43.3%	13	5-10 years
100%	30%	30%	9	10 years and over
	100%	100%	30	Total

C) Relationship with non-profit organisations: Results are shown in Table (3)

Table 3: The surveyed sample is classified by correlation with non-profit organisations

Aggregate ratios	Adjusted rate	Percentage	Recurr ence	Link attribute
16.7%	16.7%	16.7%	5	Administrative
40%	23.3%	23.3%	7	Accountant
56.7%	16.7%	16.7%	5	Member
90%	33.3%	33.3%	10	Donor or donor
100%	10%	10%	3	Governmental entity
	100%	100%	30	Total