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The Governance of the Financial Leasing Companies and its Application Requirements and Disclosure in the Financial Statements Submitted to the Income and Sales Tax Department in Jordan

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Abstract

This study aimed to know the viewpoint of employees at the income and sales tax department in Jordan on the governance of the financial leasing companies, and also aimed to investigate the effect of gender, experience, and qualification on the point of view of employees

The study sample consisted of 60 employees 38 males and 22 females from the income and sales tax department. Means and standard deviations and t-test were used to analyze the results.

The results showed that there were statistically significant differences in the views of the employees on the governance of the financial leasing companies, also showed a statistically significant differences at the level of significance ($\alpha \geq 0,05$) in their views attributed to the experience, as there are statistically significant differences at the level of significance ($\alpha \geq 0,05$) in their views attributed to gender, and results also showed the existence of clear statistically significant differences in the views of the employees on the governance of the financial leasing companies due to the scientific qualification of the employees.

Key words: governance, employees, income and sales tax department, financial leasing companies

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Introduction

Financial leasing is a legally complex process involving three parties who are fully free to agree on their rights and obligations as they see fit. Leasing is an important source of medium and long-term funding for companies in both developed and developing economies, where financial leasing plays an effective economic role in these countries by supporting the development of the productive asset base of tenants in general and small and medium size companies in particular, thus increasing the ability of local economic enterprises to compete and cope with development.

The concept of financial leasing

At the beginning of our research, we must have an exposure to the understanding of the tenancy contract in general and then the operating lease contract and access to a comprehensive definition of the concept of finance lease leads us to understand the financial lease as a start to research on one hand and to achieve the purposes of our research from the other hand.

- The lease contract is defined as "a contract under which the lessee is given the right to use certain assets for an agreed period of time in exchange for a certain rent".
- Operating lease: - "A lease contract other than a financial lease" The financial lease contract is defined as follows:

A financial lease: - Is a lease contract whereby substantially all the risks and benefits related to the ownership of an asset are transferred, with regard to the financing of the ownership of the asset in the end, it can be done or not"

Financial lease contract:- Is the contract under which the lessee is entitled to benefit from the leased asset in return for a rent payable to the lessor, provided that the tenant bears any risks related to the leased asset "

The financial leasing contract is represented as: In an agreement that gives the lessee the right to benefit from the leased asset for a specified period of time against a fixed fee payable in the form of annual payments that may be paid either at the beginning or end of the year or on a date to be determined by contract under the agreement"

Financial leasing contract: Is an agreement between a lessee and lessor whereby the lessor grants to the lessee the right to use a certain movable or immovable asset - owned by the lessor - within a specified period of time against a cash amount it is paid periodically and is called rent.

Financial leasing contract: Is an agreement between the lessor and the lessee under which the lessee is entitled to use the leased asset specified for a specific fee to be paid in installments determined by the contract"

It has been said in financial leasing: That the risks faced by lessors are less than the risks faced by asset lenders, for this reason, the greater the risk surrounding a company seeking greater funding the better it is for a source of finance to formulate with this company a lease agreement rather than a loan.

Despite the diversity in the definition of financial leasing, there is a similarity between these definitions, and from here we come to our view that the definition of financial leasing:

(Is a consensual contract between two parties, the lessor and the lessee, under which the second party grants the right to use an asset owned by the first party in return for specific rent payments to be made during the period of the contract- It is possible to include in the contract a third party who is the supplier (producer of the asset or commodity) Under this contract, the risks related to the asset are transferred from the lessor to the lessee, and either the asset property is transferred or not transferred to the lessee at the end of the contract.

From these definitions, it becomes clear to us the elements of the financial leasing contract.

The second topic: the elements of the financial leasing contract.

1. Lessor: The owner of the leased asset has the legal right to dispose of the rent or otherwise.
2. Lessee: - is the beneficiary of the services of the leased asset.
3. 1) Asset Leased: - A commodity (machinery, equipment, ... etc.) that is used by the Lessee.
4. Minimum Lease Payment - means the amounts paid by the lessee or amounts that may be claimed by his / her lease term (excluding costs related to services and taxes to be paid by the lessor).
5. Lease Term: - The period of non-cancellable period during which the lessee undertakes to lease the asset in addition to any other periods in which the lessee has the right to continue to lease the asset for an additional amount or without it, With reasonable certainty at the commencement of the lease that the lessee will exercise this right.

Note: - (The contract may include another sub-lessee if the terms of the contract provide the lessee with the right to re-lease the leased asset to the sub-lessee).

There are implications in the tenancy contract.

The contents of the lease agreement

The contents of the lease contract vary according to the conditions and the data provided therein, so that the contract is organized in writing between the lessor and the lessee so as to include detailed data on the leased asset and its status and the parties to the contract and its duration and conditions such data shall be recorded and any change shall be made in the special register at the Ministry of Industry and Trade.

In general terms, the lease contract may include the following components:

- Characterization of the asset and the lessee so as to determine the type and condition of the asset.
- Duration of the contract: - The period in which the lessee leases the asset and which may be part of the economic work of the asset or may cover the entire economic life of the leased asset.
- The rental value of the asset: - a statement of periodic payments paid by the lessee to the lessor and the nature of such payments, whether they are equal or diminishing or increasing.
- Fair value: - The estimated value of the asset at the time of the contract, which is normally the same as the market value of the asset at the time of the contract, on which the rental value of the asset is determined.
- Residual Value: Represents the market value or the fair value of the leased asset at the end of the term of the lease contract and may be guaranteed or not guaranteed by the contract text.
- Contractibility or non-contractibility for cancellation: - The terms of the contract specify the extent to which the lessee is allowed to terminate the contract before its expiry, in which case the value of the fine will be shown in favor of the lessor.
- Liability for the expenses of the asset during the contract period: The expenses related to the execution of the contract such as maintenance expenses of the asset, taxes and insurance on the asset and may be borne by the lessee as a condition or borne by the lessor according to the text of the contract.
- Bargain Purchase Option This condition allows the lessee to purchase the leased asset at a price below its market value at the end of the contract.
- Condition of contract renewal: when the economic life of the asset exceeds the duration of the contract.
- And may include conditions of protection based on the desire of the lessor, such as: - the establishment of restrictions limiting the ability of the tenant to borrow or the conclusion of other leases in the contract period.

Perhaps the clear picture of financial leasing is reflected in the talk about the advantages of financial leasing for the lessor and the lessee, the national economy and the supplier or producer.

In terms of the national economy

A. Production of capital assets adds significant additions to the national product, and since leasing does not require full funding (100%), leasing contributes to the progress of economic development programs.

B. Financial leasing is a constant factor for investments during crises and economic recession. Because of inflation, tomorrow's prices are larger than today, and the company's need to conclude contracts on assets as soon as possible-financing lease reduces the cost of financing.

C. Financing of capital assets through financial leasing requires the presence of a new worker, which in itself provides a speed in the implementation of projects are not available in the absence of this method.

D. It follows technological developments and raises the quality of production and reduce its cost, and increase the level of investments through the opening of new local and external markets, and all this makes it easier to process and renew projects by providing a flexible, smooth and simple in terms of procedures is financial leasing

E. And since the right of ownership remains to the lessor when using the method of financial leasing, and since the profit achieved by the lessee may exceed his profit through the purchase, and this leads us to realize that profit is achieved by ways of using the asset and not buying it.

F. Reduction of cost of projects due to increased sources of funding, as this method is complemented by traditional methods of medium and long term borrowing.

Financial leasing

In which the lessor does not bear any responsibility for maintaining or securing the productive asset in question. In return, the lessee cannot cancel the contract before the original asset is fully leased.

The process of leasing is in steps:

a. The Tenant negotiates with the Producer on the value of the purchase, the terms of delivery and receipt of the productive asset, after having chosen it.

b. The Tenant agrees with the producer to purchase the asset and to lease the asset directly, after contacting the bank.

c. The lessee shall pay the lessor the rent in equal installments in successive periods, and these payments shall equal the total values of the purchase of the leased asset in full.

d. For the tenant by the end of the contract term the following options:

- Buying the asset with its nominal value is stipulated at the beginning of the contract.
- Leasing for another period with a low value stipulated in the contract.
- Priority in buying or leasing at market price - provided that this is stated in the contract.
- Return the original to the bank, or the leased company.

Here are the elements of completing the financial leasing process:

- Tenant
- Lessor (Bank / Specialist Company)
- Product / Supplier

Leasing:

The leasing process is carried out directly without reference to the bank that a company specialized in financial leasing to complete the purchase of the product, and the reason for considering this method the least expensive methods for the tenant is the lack of commission (cost) and brokerage of the bank as in financial leasing.

This lease achieves its usefulness to the producing company, which is to increase sales due to credit facilities and to establish a direct relationship between them and the end user without incurring additional burdens. However, we must bear in mind that it will carry other risks for this purpose.

Selling and leasing:

The company sells one of its assets for cash to an institution specialized in leasing finance. At the same time, it agrees with this institution, which specializes in the method of financial leasing. At the same time, it agrees with this institution to lease the sold asset for rent Payable at periodic intervals covering the useful life of the asset and a significant portion of the purchase cost paid by the buying company in cash and the market value of the market asset at the time of the contract.

The interest earned by the acquirer of the productive asset from this method is to obtain liquidity for the operation of its operations and other activities.

Leasing by crane:

This type of leasing is associated with assets that are characterized by high value, and leases cranes have three parties: - The lessee, the lessor and the group of lenders. Here, the tenant's status in this type of lease doesn't differ from that of other types, but the lessor's position is different at an important point that the purchase of the original is funded a molecule from its money and the rest from the borrowed money, the originator pays between 20% to 40% of the original value of the lease instead of paying the rest of the price by obtaining a long-term loan guarantee mortgage of the original, waiver of the tenancy contract, and the rental value of the group of lenders.

Leasing contracts

A distinction should be made between the aspects of futures sales and leasing agreements.

The following table shows the legal relationship between the transfer of ownership of assets and the accounting treatment of different contracts:

	Forward purchase	(Rental-Purchase) purchase by installments	Lease contracts
Property title	Transfer directly to buyer	Transmitted to the buyer at the end of the agreement	Not transferred to the tenant at all
Buyer / Tenant	Assets are capitalized and liabilities are recognized Loading interest and amortization on profits and losses	Assets are capitalized and liabilities are recognized Interest and depreciation are charged to profit or loss	Rentals are charged to the profit and loss account
Seller / Lessor	debtors are recognized The financing income is distributed during the agreement	Civilians are recognized The financing income and gross profit are distributed during the agreement	Assets are capitalized The lease income is charged to the profit and loss account

Notes:

1. Accounting treatment in the buyer's books - selling futures payments and leasing purchase
    - The asset is capitalized at its fair market value (cash price).
    - The asset is consumed over its estimated useful life.
    - We show net amounts payable on any interest as current or long-term liabilities as appropriate.
2. Processing in seller's books - future sales
    - The profit and loss account makes a direct profit by gross profit.
    - Income from the financing process is distributed over the period covered by the Convention.
    - The actuarial method of income distribution derived from the financing process is used using the implicit interest rate of the agreement. There are two methods used to calculate the finance income:
        - Fixed installment.
        - Total number of years - preferably on a straight-line basis

Processing in the seller's books - Traded purchase agreements

- Processing in the seller's books - Traded purchase agreements.
- The property is not legally transferred to the buyer until the last installment is paid.
- All sources of profit (gross profit and financing income) are split over the period of the agreement according to the percentage of cash received, i.e. the transaction is treated as a series of sales at full price.

Leasing contracts accounting:

- The original shall remain registered in the books of the original owner (lessor).
- Profit and loss shall make a debtor or a creditor with payments and receipts of the rental allowance when due.

Financial lease contracts:

1. Is the lease whereby the vast majority of the risks of ownership and the benefits related to a particular asset are transferred to the lessee.
2. Such a transfer of risks and benefits occurs if the present value of the minimum lease payments including the initial payment is greater than or equal to the fair value of the asset (usually 90% or more).
3. The present value is calculated using the implied interest rate of the lease.
4. Is a contract similar to the ownership of the asset and is financed by a loan repayable in installments over the contract period.
5. The Tenant shall be the user of the asset and shall be responsible for its maintenance, repair and insurance, notwithstanding the legal property remaining with the lessor.
6. Finance leases should be capitalized on the lessor's balance sheet to reflect the asset's ownership on the assets side of the budget and future lease payments are shown as a liability in the lessee's balance sheet.
7. The profit and loss account carries the amount of depreciation on the asset and the amount representing the financing expense included in the lease payments.
8. Not showing the effect of financing leases on the balance sheet is considered as offset balance sheeting (financing).

Operating leasing contract:

1. A non-financial lease where the lessee pays rent on a regular basis.
2. Capitalization of the finance lease in the Tenant's accounts.
3. Capitalized value is the present value of the minimum lease payments calculated on the basis of discounting such payments at the implicit interest rate of the lease (the fair value of the asset is usually equal to the present value).
4. The difference between the total minimum lease payments and the capitalized amount is considered to be a funding burden to be distributed over the years of the contract.

Research problem and its questions

Our main research problem is to answer the following questions:

1- What is the point of view of employees at the income and sales tax department in Jordan on the governance of the financial leasing companies?

2- Are there any statistically significant differences between the views of the employees at the income and sales tax department in Jordan on the governance of the financial leasing companies due to gender (Male, Female)?

3- Are there any statistically significant differences between the views of the employees at the income and sales tax department in Jordan on the governance of the financial leasing companies due to experience (less than 5 years, 5 years and over)?

4- Are there any statistically significant differences between the views of the employees at the income and sales tax department in Jordan on the governance of the financial leasing companies due to scientific qualification (Tawjihi, Bachelor)?

Research Goal

The research aims to investigate the view point of employees in income and sales tax department in Amman about the following:

1. Statement of the concept of financial leasing, its importance and the advantages it provides to all parties.
2. 1. Accounting treatment of the finance lease contract in both the books of the lessor and lessee submitted to the income and sales tax department.
3. Determining the impact of financial leasing on the financial statements submitted to the income and sales tax department and ways of disclosing them.

Research importance

To shed light on the finance lease in an expanded manner so that we can understand its machines, this type of contract contributes to the revitalization of the economy and to keeping abreast of the development in all its fields without incurring financing burdens such as those resulting from other financing methods, as the financing lease is new as the developing countries do not benefit from it in a sufficient manner, because of not being covered in all its aspects In this research, we will focus on the specialized institutions that deal with such contracts in Jordan the most important of which is income and sales tax to come up with recommendations that may help to improve their use.

Research limits

1. Spatial limits: - The research is limited to the employees at income and sales tax department
2. Time Limits: - We are governed by the lack of time in which such research requires ample time to cover all aspects in an adequate manner.

Search Hypotheses

1. Financial leasing works to increase profits in the financial statements of the leased company as a result of its dealing with financing leases.
2. There is a demand for financial leasing contracts as it contributes to help businesses expand and develop their activities and to develop economic growth.
3. The greater the number of financial lease contracts, the higher the profitability of the leased company.

Theoretical framework and previous relevant studies

Theoretical framework

As a result of the tremendous progress in scientific research, which in turn led to the development of a large industrial generated by the manufacture of high-cost assets (such as aircraft manufacturing and computer hardware and commercial vessels and others) which has made some companies unable to buy directly for these assets, and became the main way to get these assets through leasing both for long-term and short-term, instead of obtaining large loans burdensome for many years.

Leasing is one of the long-term sources of finance that enables the lessee to obtain his operating assets without paying any advance payments. He thus obtains full financing of the leased assets. The lessor agrees with the lessee to make fixed payments for rent, thus protecting the tenant from the risks of inflation and increasing the cost of money in the future.

Among the most important assets that companies seek to acquire through leasing are assets that are subject to rapid technical developments (such as equipment, machinery, aircraft, computers, ...) which encourages the leased companies to obtain them in exchange for rent payments, which in turn reduce the risks incurred by the aging of these assets and also transfer the risk of the value of assets as a scrap at the end of the economic life of the lessor, perhaps the most important reason for companies to lease their assets - rather than borrowing to buy them - is that some leases, which are called finance leases, do not result in obligations on the financial position of the leased company, and therefore are not affected by their financial indicators, which may add to its ability to borrow, which improves the image of its financial position, both from the point of view of lenders and investors alike, and this process is known in accounting literature as hidden finance (Off-Balance Sheet Finance)), and we will discuss in our research this financing lease from several aspects .

Previous studies

Nimer (2000) conducted a study entitled "Financial lease contract nature and effects". The researcher stressed the importance of financial leasing contracts in supporting the national economy, especially for the developing countries because of the lack of financial resources to reach the technological development and the advancement of the industry through getting the necessary equipment to run their projects to produce goods, and bring it out of the economic recession to prosperity and integration into the circle of producing countries.

The researcher pointed to the existence of two legal relations, the first is the relationship between the supplier and the tenant which is a sale relationship and the second relationship between the lessee and the lessor, it is a rental relationship, and concluded to merge these two relationships together to form the financial leasing contract. The study reached the following results:

- The lease of financial leasing is one of the most important contracts that play an important and fundamental role in the national economy, especially in developing countries.
- The financial leasing contract consists of three parties: the lessor who purchases the assets, the supplier who sells the assets, and the tenant who rents the assets.
- The financial lease contract is distinguished from the others that it composite of three contracts: - Contract of sale and contract of agency and lease contract.

Al-Hajji, R. (2002) conducted a study entitled "Accounting for long-term lease contracts and the auditor's position". The researcher shows the types of rental contracts and recommendations issued by the complex of financial accounting standards that govern their classification, he explained the principles used in the evaluation of rental contracts and the researcher dealt with the accounting problems associated with long-term leases and the position of the auditor of these contracts and take the procedures taken to examine these contracts. The study reached the following results:

- Leasing activity financing is an important activity and must be published, especially after making a decision to allow it to be exercised.
- There is a need to make some adjustments in tax systems, accounting and laws to suit the nature of this new activity.
- There are specific procedures to be followed by the auditor in reviewing financial leasing contracts.

Al-Subou, M. (2003) conducted a study entitled "Financial leasing and accounting procedures associated with disclosure". This study shows the accounting practices used to record financial leasing operations and to treat these contracts as a type of investment and the size of the risks to which banks are exposed as a result of dealing with such contracts. The researcher reached the following results:

- There is an upward trend in the use of financial leasing to help businesses expand and develop their activities.
- Renting is a contribution to assisting business enterprises in the use of advanced technology which they cannot purchase and update continuously. This study highlighted the fact that many business establishments in Jordan resorted to using financial leasing to finance its operational activities by renting instead of borrowing.
- Leasing has helped create profitable outlets and new activities for banks as their profits are growing exponentially.

Al-Khasawneh, S. (2004) conducted a study entitled "Financial leasing contract and its effects in Jordanian law". The researcher explained the importance of the financial leasing contract from the point of view of the law. The Jordanian legislator introduced law No. (16) for the year 2002 which contributed to solving many of the issues that govern this contract, where it is unique by a special standard which is a risk-taking standard by the lessee which is the same as that adopted by the International Accounting Standards as well as between the opinions on the issue of the financial leasing contract. The results show the following:

- That the financial lease contract of relatively recent contracts, which the Jordanian legislator sought by defining and appointing its own provisions as a kind of investment financing to encourage and revive the national economy.
- The rental payment is the main element in the financial leasing contract.
- The standard by which a financial lease contract is measured in Jordan is the risk to be borne by the lessee.
- A financial leasing contract is a bilateral contract in terms of the contract, the lessor, the lessee and the three parties in terms of execution, lessor, lessee, supplier or contractor.
- The leasing contract specifies that the tenant is the one who negotiates with the supplier or the contractor and sets out his needs and agrees with the price of the leased assets. The lessor transfers the purchase of the money, thereby depriving the lessee of receipt under a receipt report.
- That this type of contract is known and accepted in Islamic banks within the controls and determinants in accordance with the provisions of Islamic Sharia.

Findings of the Study

The purpose of the study is to know the viewpoint of employees at the income and sales tax department in Jordan on the governance of the financial leasing companies, and also it aimed to investigate the effect of gender, experience, and qualification on the point of view of faculty members

A questionnaire was distributed among 60 employees, 38 males and 22 females from the income and sales tax department in Jordan. Means and standard deviations and T-test were used to analyze the results

Results related to the first question: What is the point of view of employees at the income and sales tax department in Jordan on the governance of the financial leasing companies? A questionnaire was distributed among them and means and standard deviation were calculated. Results were shown in table 1

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Table 1: views of employees at the income and sales tax department in Jordan on the governance of the financial leasing companies

Item N.	Mean	Std. Deviation
Q1	4.62	.699
Q2	4.50	.716
Q3	4.43	.806
Q4	4.50	.859
Q5	4.34	.849
Q6	4.33	.768
Q7	4.60	.694
Q8	4.52	.733
Q9	4.19	.908
Q10	4.44	.878
Q11	4.24	1.001
Q12	3.98	.885
Q13	4.48	.906
Q14	4.47	.881
Q15	4.31	.838
Q16	4.42	.807
Q17	4.48	.760
Q18	4.40	.880
Q19	4.55	.742
Q20	4.46	.786
Q21	4.34	.946
Q22	4.53	.756
Q23	4.65	.680
Q24	4.55	.673
Q25	4.43	.813
QALL	4.43	.585

Table 1 shows that there are statistically significant differences in the viewpoint of employees at the income and sales tax department in Jordan on the governance of the financial leasing companies. It shows the results of the questionnaire which was distributed among (60) employees at the income and sales tax department about their point of views towards the governance of the financial leasing companies. Means and standard deviations were calculated and results show that question 23 got the highest mean which was (4.65); question 12 comes next with a mean of (3.98).

Standard deviation for question 23 was (0.680) which is higher than ($\alpha \leq 0, 05$) so it means that it is statistically significant. Standard deviation for question 12 was nearly the same; it was (1.001) which is also statistically significant.

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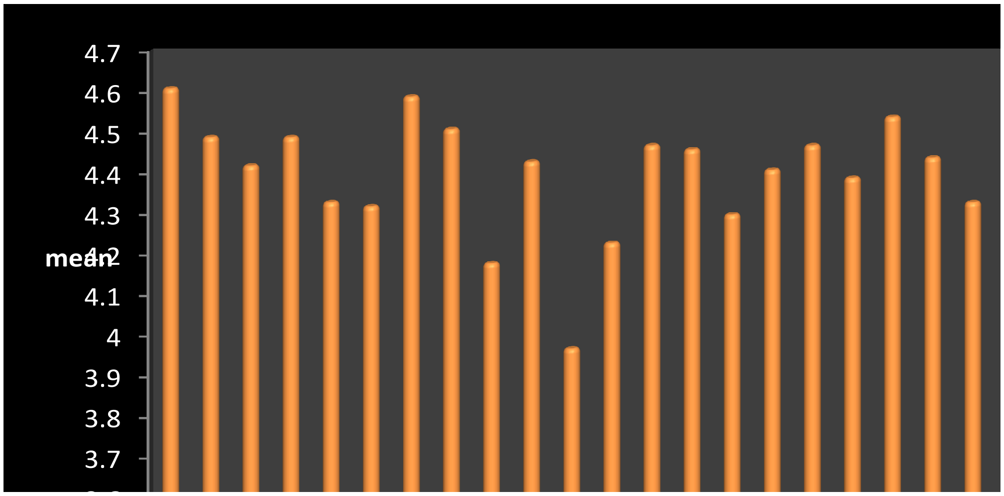

Diagram 1: employees' point of views about the governance of the financial leasing companies

It is clear in the diagram that the mean of question 23 was the highest mean, question 1 comes next. The mean of the (4, 8, 19, and 24) are nearly the same, so employees' point of view about the governance of the financial leasing companies are positive.

To answer the second question about employees' point of views and gender: Are there any statistically significant differences between the views of the employees at the income and sales tax department in Jordan on the governance of the financial leasing companies due to gender (Male, Female)? Means and standard deviations were computed and table 2 shows the results.

Table 2: Means, standard deviations and t-test according to gender variable

gender	N	Mean	Std. Deviation	t	df	Sig. (2-tailed)
Male	31	4.32	.686	-2.543	169	.013
Female	29	4.54	.426			

Table 2 shows there are statistically significant differences due to academic level variable. It shows the results of the questionnaire which was distributed among (60) employees about their point of views on the governance of the financial leasing companies. Means and standard deviations were calculated and results show that female employees got a higher mean than male employees which was (4.54, and 4.32) respectively; this indicates that the academic level have an effect on employees' attitudes.

Standard deviation for female employees was (0.426) which is higher than (α≤0, 05) so it means that it is statistically significant. Standard deviation for male employees was higher; it was (0.686) which is also statistically significant. So, table 2 shows there are statistically significant differences due to gender variable in favor of females.

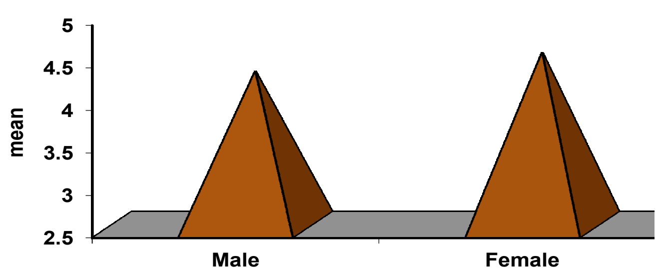

Diagram 2: Means, standard deviations and t-test according to gender variable

Diagram 2 shows that male employees' points of views are less positive about the governance of the financial leasing companies than female employees.

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To answer the third question about employees' point of views and experience: Are there any statistically significant differences between the views of the employees at the income and sales tax department in Jordan on the governance of the financial leasing companies due to experience (less than 5 years, 5 years and over)? Means and standard deviations were computed and table 3 shows the results.

Table 3: Means, standard deviations and t-test according to experience variable

Experience	N	Mean	Std. Deviation	t	Df	Sig. (2-tailed)
Less than 5 years	27	4.27	.723	-3.388	169	.002
5 years or above	33	4.56	.386			

Table 3 shows there are statistically significant differences due to experience variable. It shows the results of the questionnaire which was distributed among (60) employees at the income and sales tax department about their point of views about the governance of the financial leasing companies. Means and standard deviations were calculated and results show that employees whose experience less than 5 years got a lower mean than employees whose experience above 5 years which was (4.27, and 4.56) respectively; this indicates that experience have an effect on the employees' point of views.

Standard deviation for employees whose experience less than 5 years was (0.723) which is higher than (α≤0, 05) so it means that it is statistically significant. Standard deviation for employees whose experience above 5 years was lower; it was (0.386) which is also statistically significant. So, table 3 shows there are statistically significant differences due to experience variable in favor of five years or above.

Diagram 3: Means, standard deviations and t-test according to experience variable

Diagram 3 shows that employees whose experience are 5 years or above got positive point of views about the governance of the financial leasing companies than employees whose experience less than 5 years.

To answer the fourth question about employees' point of views and their qualification: Are there any statistically significant differences between the views of the employees at the income and sales tax department in Jordan on the governance of the financial leasing companies due to scientific qualification (Tawjihi, Bachelor)? Means and standard deviations were computed and table 4 shows the results.

Table 4: Means, standard deviations and t-test according to qualification variable

Qualification	N	Mean	Std. Deviation	t	Df	Sig. (2-tailed)
Tawjihi	20	4.23	.854	-2.300	169	.024
Bachelor	40	4.48	.483			

Table 4 shows there are statistically significant differences due to qualification variable. It shows the results of the questionnaire which was distributed among (60) employees about their point of views about the governance of the financial leasing companies. Means and standard deviations were calculated and results show that Bachelor employees got a higher mean than Tawjihi employees which was (4.48, and 4.23) respectively; this indicates that qualification have an effect on employees' point of view.

Standard deviation for Bachelor employees was (0.483) which is higher than (α≤0, 05) so it means that it is statistically significant. Standard deviation for Tawjihi employees was higher; it was (0.854) which is also not statistically significant. So, table 4 shows there are statistically significant differences due to qualification variable in favor of Bachelor employees.

So, table above shows there are statistically significant differences in employees' point of views due to qualification variable in favor of Bachelor employees.

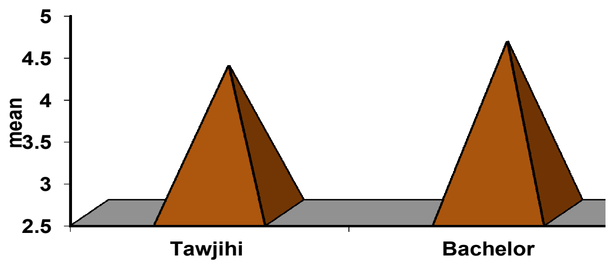

Diagram 4: Means, standard deviations and t-test according to qualification variable

Diagram 4 shows that Bachelor employees got positive point of views about the governance of the financial leasing companies than Tawjihi employees.

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