The Extent of Application the Accounting Concept of the Fair Value in the Jordanian Banks According to the Requirements of the International Accounting Standards

DR. Mohamed Mahmoud bshayreh

Accounting Lecturer / Al-Balqa'a Applied University / Al-Housn University College , Jordan

Ziad Jamal Haddad   Ibrahim abdalla ahmed al -momany

Accounting Lecturer / Al-Balqa'a Applied University / Irbid University College, Jordan

Abstract
This Study aimed to identify the application concepts of fair value in Jordanian banks and to identify how to fair value measured , recorded , and disclosure in banks records . This study was applied on the Jordanian banks the size of study society was about (15) banks and (70) questionnaire has been submitted.For this purpose a questionnaire was designed and distributed to the accountants or financial manager to gather the necessary data to view results. The SPSS program was used for data analysis and hypotheses test.
    The study reached to a number of results , the most important are:
1- The Jordanian banks to apply the fair value concepts in their records and from where (measurement , disclosure).
2- The Jordanian banks not to apply the fair value concepts in measurement the trading liabilities.
3- The Jordanian banks disclosure about the fair value effect on accounts that measuring in fair value.
    In the light of the above results it leads to the following recommendations the most important are:
1- The Jordanian banks should held courses and inform the accountants about new developments that arise on fair value.
2- The Jordanian banks should to adopt application the International Accounting Standards (IAS)

The introduction of the study
Accounting science has witnesses a great improvement where we are continually interested in the financial and economical aspects leading to a huge amount of the financial information that needs an accounting and financial systems able to classify , arrange , summary , and disclose this information regularly and serially allowing the interested audience to disclose to this information and then make the proper decisions.
Nowadays , the fair value concept and accounting depending on the fair value come out , and here we acknowledge that the international Accounting Standards Council has an important influence in developing accounting science in general and the fair value in specific. Where the variety of the accounting policies that applied in the different countries led to the difficulty in reading the financial data , statements , and the last accounts too leading to losing a huge number of the international investments as a result of the variety of these accounting policies.
The International Accounting Standards is considered the comprehensive organization in the world that offers a great services for accounting on the world level and aims to achieve kind of standardization and sympathy in the different accounting policies aiming to solve the international problems related to the difficulty in having a united accounting applications and policies.

The problem of the study
    The problem of the study lies in answering these questions:
1.   Do the Jordanian banks apply the accounting concepts on the fair value (in terms of the measurement) in their accounting system according to the requirements of the international accounting standard number 39?
2.   Do the Jordanian banks disclose to the fair value in their annual financial lists according to the international accounting standard number 32?

The importance of the study
 The importance of the study flows from the importance of accounting concept on the fair value and from the modernization of the application of the fair value concepts in the accounting systems in the Jordanian banks. Its important lies also in arising the confidence level in final lists and accounts because the international accounting organizations are responsible for generating accounting on the basis of the fair value so it becomes global. The importance of this study also lies in explaining the different accounting aspects about accounting on the fair value and that of course help the accountants to disclose , identify and understand this subject and then applying

it in their companies aiming to get a united accounting policies locally and globally.

The aims of the study : This study aims to the following:
1. Identifying the fair value concept and the accounting bases on the basis requirements of the international accounting standard number (39).
2. Identifying the extent of application of the accounting concepts of the fair value in their accounting systems.
3. Emphasizing that the Jordanian banks disclose the accounts that result from the implementation of the fair value concepts according to the international accounting standard number(32).

The hypotheses of the study : The hypotheses were formulated depending on the problem of the study:

The first main hypothesis:

HO1:   The Jordanian banks don't implement the accounting concepts of the fair value in their accounting systems according to the requirements of the international accounting standard number(39).

The second main hypothesis

HO2: The Jordanian banks don't disclose the accounting concepts of the fair value according to the disclosure requirements of the international accounting standard number(32).

The methodology of the study: It is represented in the descriptive and analytic aspects. To achieve the aims of the study, we concentrated on two aspects that the study methodology consists of and they are:

The ways of gathering the data :

The secondary resources: It depends on the written information resources such as books , magazines , journals , Arabic and foreign articles and the prior Arabic and foreign studies related to the subject. The international accounting standards especially those numbers 39 and 32 and also those subjects related to the topic and published on the internet.

The primary resources

A questionnaire was submitted containing numbers of questions covered the variables of the study and distributed on the study society who are the arrangers of the financial lists represented with one of the management accountant or the financial managers in the Jordanian banks for answering the questions of the questionnaire then testing the hypotheses. Five-Likert scale was implemented in order to identify the available alternatives of the answers.

To know the extent of the importance of implementing the fair value concepts in the accounting system in the Jordanian banks by the management accountants in the study society it is dependent on the mean 3 (60%)

The validity and maintenance of the questionnaire:

The validity of the questionnaire should be emphasized then presented to the specialized examiners in the Jordanian universities in order to measure the maintenance of the tool , the internal coordination coefficient (Cronbach Alpha) will be found out.

The society and sample of the study

The size of the study society was (15) Jordanian banks and (75) questionnaire has been submitted and distributed to the arrangers of the financial lists in the Jordanian banks or one of the management accountant because they are the most able to answer the questions of the questionnaire. (70) questionnaire was retrieved to be analyzed and find out the results.

The statistic ways used in the data analysis

The statistic program (SPSS) was used to reach the questionnaire maintenance by using Cronbach Alpha test. The means , frequent distribution of the questionnaire questions and the standard deviation were used to identify the extent of dissimilarity and convergence of the answers. T-test also was used for testing the acceptance or rejection the hypothesis. All those were used to identify the extent of influence of accounting of the fair value on final accounts of the Jordanian contributive banks (Sekaran , 2013)

The study limitations

This study limits in the following:
1. Identifying to which extent the Jordanian banks implement the bases of measurement followed to measure the accounts that measured by using the fair value according to the requirements of the international accounting standard number (39).
2. emphasizing the extent of the Jordanian banks disclosure to the measurement requirements on the basis of fair value in their accounting system according to the requirements of the international accounting standard number (32)

The previous studies

-(Al-Essa , 2012) entitled study "The extent of implementation the international standard for preparing the financial reports number (7): The financial tools: the disclosures , A field study on the Jordanian banks. "

This study aimed to evaluate the extent of adherence of financial reports issued by the Jordanian banks to the judgments of the international standard for preparing the financial reports number (7). The study concentrated on summarizing the international accounting standard number (7) as a vocabularies and they should be disclosed in the financial lists. The researcher used the applied method throughout a sample contains the disclosures related to the standard (7). The society of the study were (15) Jordanian banks as away to identify the extent of disclosure these vocabularies. This study depended on the financial percentages , frequencies and the means for data analysis and hypotheses test.

The study showed the adherence of the financial reports published about the Jordanian banks to the requirements of the standard to all its areas by the adherence with the disclosure about the financial tools and accounting on the fair value , disclosure about the financial crises and disclosure about the explanations especially the financial policies. They also adhere with the requirements of the concerned lows , systems and guidelines , where the disclosure level varies from 14% to 100%.

(Hamdan , 2010) entitled study "The extent of adherence of the Jordanian industrial zones to the implementation of the international standards of the financial reports"

The study aimed to identify accounting standards and the international financial reporting concept and their explanations and implementation frame. The researcher depended on the qualitative method that based on contents. He also depended on the available resources from the books , journals , publications and the laws related to the companies , he also studied the financial reports of the companies. In addition to that he used the statistic ways such as the means and T-test as away to data analysis and hypotheses test. The researcher found that the Jordanian industrial zones corporation adheres to the requirements of accounting standards and the financial disclosure. This study recommended with the necessity of guiding the Jordanian industrial zones corporation with the administrative and financial independence to rise the awareness to adhere to implement accounting standards and the financial disclosure as it prepares its financial reports.

3-(Bashaireh and Al-Matarneh , 2006) entitled study "The extent of adherence of the Jordanian distributive banks to accounting on the investment in the shares and bonds in the light of the international accounting standard (39)"

This study aimed to identify the international accounting standard (39) and the new classifications that the international accounting standard (39) introduced , It also aimed to identify the accounting treatment of the investments in the securities according to concept of re-evaluation using the fair value.

The study concluded that the Jordanian banks adhere to the accounting on the investments in the securities according to the requirements of the international accounting standard (39) in term of the accounting treatment of the financial investments and the disclosure according to the standard requirements.

(bosch , 2012) entitled study "The extent of the fair value consistence within the financial disclosure standard (7) in Europe , and the extent of reliability that the fair value sample introduces"

This study aimed to examine the extent of the accounting work consistence of European banks according to the international financial reports standards (7) and the extent of reliability of the financial data that adhere to implement the fair value requirements introduced in the financial reporting standard (7) where banks should disclose the inputs used in measuring the fair value of the financial tools , for this reason this standard identifies a specific graduations for measuring the assets and obligations using the fair value. The study society were the European banks , the population of the study were the biggest 27 banks from different European countries. The final financial lists were taken and the financial tools were measured using fair value. The researcher used an applied simple in order to measure the extent of these banks adherence to the financial disclosure standard number (7).

The result of the study was that there is an influence in terms of the reliability throughout reclassification of the financial assets on the reliability of the fair value. In addition to that it was found that there is a very poor influence of the capital on the reliability of the fair value.

-(Theresa Dunne , 2010) entitled study "An analysis of UK firms disclosures about derivatives usage in their corporate reports"

This study aimed to examine some of the different factors that affect the disclosures in the firms about the financial derivatives the analysis focused on the disclosures according to the financial disclosures standards.

This study also tested this disclosures on a selected population from the UK firms. The study focused on the reasons that made these firms adhere to disclose about their information according to the financial reporting standards in away to activate the disclosure and transparency level and to introduce apparent image about the financial data of the firm in front of the investors and the interests owners. It also concentrated on the processes of disclosure the financial derivatives and their crises. The test was conducted on 100 firms listed in

London exchange that practice the investment processes in London exchange. The study concluded that the financial factors have an important influence in adhering the firms to disclose according to the requirements of the international financial reporting standards and the cast of preparation of the financial reports wasn't influenced and has no significance , The study recommended to the necessity of disclosure about the financial processes in the light of the international financial reporting standards and to conduct another statistic researches on another firms to measure their disclosure level.

(Fernando , 2010) entitled study "Evidence of international financial reporting standards (ifrs) implementations in Brazil – the case of derivatives"

This study aimed to analyze the way of international financial reporting standards implementation , this analysis focused on the processes related to the financial derivatives according to the international accounting standards number (39) : The financial tools are the a recognition and measurement and also according to the international accounting standards (32): The financial tools: the disclosure and display. However , the study methodology followed the analytic method throughout preparing (4) main groups of questions.

The study society consisted of the (100) biggest financial firms , the information was gathered during the period from 2006 to 2008 and the most important results of the study: - More than the half of the study population doesn't disclose the influence of the new accounting procedures. - The firms of the study population don't disclose the standard used in the financial tools treatments. - The firms of the study population disclose and treat the financial tools using the fair value. - some firms don't consider their financial processes related to the financial derivatives and these firms still don't disclose their whole own financial information. This study recommended to continue the work using the latest developments of the international financial reporting standards , it also recommended to that it is necessary for this study to find a culture and vision for the international accounting standards in the wall street of Brazil.

This study differs from the other prior study that:
1. It is implemented in the Jordanian banks and investigated in the extent of the adherence to the two international standards requirements (IAS39, 32)
2. It investigated in the way that the Jordanian banks deal with the accounting measurement concepts and the disclosure on the fair value in their accounting records.

The study tool tests
The tool maintenance

The tool maintenance was measured using Cornbach alpha in order to measure the possibility to get the same information when the study is conducted again using the same tool on the same individuals within the same conditions. The value of this test was (84%) and this indicates that there is an internal consistence of the questionnaire items for its being bigger than the acceptance average (60%) (Al-Najar , 2013 , page 202 – 224). The data analysis showed that the items maintenance was very high.

The content validity

It is meant the extent of the domain items expressions about the domain it belongs to the attention was on the emphasis that the domain used in this study is represented accurately in a group of items that it belongs to (Sekaran , 2013 , page 87). The correlation relations that are more than (30%) were depended and their statistic indication was significant on the level (5%) (Malhotra , 2004 , page 268)

The result of pirson correlation test for the questionnaire items with the domain they belong to

Item	Person coefficient	Item	Person coefficient
1	0.521**	10	0.545**
2	0.497**	11	0.531**
3	0.566**	12	0.570**
4	0.472**	13	0.665**
5	0.436**	14	0.619**
6	0.633**	15	0.663**
7	0.424**	16	0.661**
8	0.505**	17	0.667**
9	0.536**	18	0.666*

** The correlation coefficient was statically significant on (0.01 >=a).
The above table showed that for the whole domain correlations were more than (30%) and were statically significant on the level (0.05 >=a)

Data natural distribution test (Kolmograph – Smmernoph test 1- Sample K-S)
Kolmograph - Smmernoph test was conducted to identify wether the data followed a natural distribution or not. It is considered a necessary test in the case of hypotheses test because most of the scientific tests stipulate that data distribution should be natural , the statistic analysis results showed that the value of the indication level was

bigger than the morality level (0.05 >= a) according to the study population answers who were (70) respondents and this indicates that data follows the natural distribution.

Data analysis related to the study population descriptive factors:

Data analysis related to the study population descriptive factors in terms of the educational qualification , the major , the experience and job level showed the following results:

Table (1) The population distribution according to the educational qualification variable.

The educational qualification	Frequency	Percentage
Diploma	12	16%
Bachelor's degree	44	58.5%
Master	15	20%
Doctorate	4	5.5%
Total	**75**	**100%**

Table showed that the highest percentage of the population individuals according to the educational qualification variable was the bachelor's degree and reached to (58.5%) whereas the percentages of master degree was (20%) and the lowest percentage was for the doctorate (5.5%) we notice here that most of the study population have the bachelor's degree and higher degrees and this increases the reliability of the questionnaire.

Table (2): The population individuals distribution according to the major variable

The major	Frequency	Percentage
Accounting	50	67%
Business management	10	13.3%
General management	8	9.2%
Economy	7	10.6%
Total	**75**	**100%**

Table (2) showed that the highest percentage of the population individuals according to the major variable , accounting , which was (67%) and the next percentage was the business management (13.3%) and the lowest percentage was for the public management (9.2%). This table also indicates that accountants are the most in this study and this makes the study population answer the questionnaire questions with full knowledge.

Table (3): The population individuals distribution according to the experience years

Experience years	Frequency	Percentage
Less than 3 years	10	13.3%
From 3 years to less than 6 years	20	26.6%
From 6 years to less than 9 years	33	44%
9 years and more	13	17.3%
Total	**75**	**100%**

Table (3) showed that most of the study population has an experience from 3 years and more with high percentages especially those with experience from 6-9 years and percentage (44%) and this indicates the strength of data extracted from the questionnaire.

Table (4): The population individuals distribution according to the job level variable.

Job level	Frequency	Percentage
Financial manager	15	20%
Vice-financial manager	8	10.6%
According department chief	12	16%
Accountant	40	53%
Total	**75**	**100%**

Table (4) showed that the highest percentage of the population individuals according to the job level is the accountant (53%) and this emphasizes that the questionnaire questions were answered by the specialized and concerned persons and this means that the results will be more real and represent the fact.

Data analysis and hypotheses test

The results related to the first hypothesis that stated "The Jordanian banks implement the accounting concepts on the fair value in their accounting systems according to the international accounting standard requirements (39)

To emphasize this hypothesis reliability , the researcher implemented One Sample T-test on the accounting implementation variable of the fair value concepts in the accounting on the assets and the financial obligations in the Jordanian banks accounting system. So table (5) indicated to the mean , the standard deviation and One Sample T-test results on the accounting implementation on the fair value in the Jordanian banks.

Table (5): The means , the standard deviation and One Sample T-test results on the accounting concepts implementation on the fair value in the Jordanian banks accounting system.

	The item	Test value = 3 grades			
		The mean	The standard deviation	The difference mean	T-value
1-	The investment preserver is arranged in the assets within the budget to be an investments preserved to trade purposes , prepared for sale and preserved to pay ability	4.54	0.68	1.54	*48.00
2-	The assets prepared to trade should be measured after the primary recognition of the fair value	4.45	0.63	1.45	52.00
3-	The unachieved profits and losses from the assets reevaluation processes prepared to trade are listed in the income list	4.45	0.74	1.45	*44.00
4-	The assets prepared for sale are measured after the primary recognition of the fair value	4.47	0.71	1.47	*46.00
5-	The unachieved losses and profits from the assets reevaluation process prepared for sale and measured using the fair value are listed in the property rights	4.30	0.71	1.30	*44.00
6-	The unachieved profits and losses from the assets reevaluation process prepared for sale and measured by the fair value are listed in the income list	4.00	0.98	1.00	*30.00
7-	The assets preserved until the pay ability data are measured after the primary recognition by the fair value	2.22	1.19	0.78-	1.98
8-	The unachieved losses and profits from the assets reevaluation process preserved until the pay ability data are listed in the income list	3.80	1.09	0.80	*25.00
9-	The assets that have no listed price in the wall street stayed then until there is a reliable measurement then they are measured again using the fair value	4.40	0.73	1.40	*44.00
10-	These assets detect in the general budget in the side of the investments and the period time identifies the type of the investment	4.20	0.83	1.20	*37.00
11-	The assets that represented in loans or the indebted receivables that are constructed with the knowledge of the institution are measured using the fair value	4.40	0.67	1.40	*52.00
12-	The unachieved losses and profits from the assets reevaluation process that are represented with the loans or the indebted receivables that are constructed with the knowledge of the institution were listed in the income list	4.30	0.86	1.30	*37.00
13-	The commercial financial obligations are also primarily measured by the cost then by the fair value	3.45	1.00	0.45	*23.00
14-	The non commercial financial obligations are measured by the consumed cost	3.32	1.00	0.32	*23.00
15-	If there is no measurement for measuring the fair value of the financial obligations then its measured by the cost then by the fair value	3.50	1.00	0.50	*24.00
16-	The financial derivatives of the trading are measured by the fair value	4.10	0.91	1.10	*33.00
17-	The financial derivatives prepared for sale are measured by the fair value	4.00	0.94	1.00	*31.00
18-	The financial derivatives of the pay ability are measured by the cost	4.00	0.94	1.00	*31.00
	Total	**4.06**	**0.41**	**1.11**	***72.00**

* An indication of the trust level (a =< 0.05)

Table (5) showed that item (1) which states "**The investment preserver is arranged in the assets within the budget to be an investments preserved to trade purposes , prepared for sale and preserved to pay ability**" has got the first grade with mean reached to (4.45) for the implementation degree of the accounting concepts for the fair value in the accounting records , the standard deviation was (0.56) , whereas the difference means between the Jordanian banks adherence degree to the content of this item and the test value approved to accept or reject the item or hypothesis was (1.54) degrees in favor of the implementation degree of the Jordanian banks for this item in their accounting records where T-value on this level of difference reached to (48) and it is a statically significant value on the trust level (0.05). The clearly indicates that banks implement this concept and adhere to this implementation which is **The investment preserver is arranged in the assets within the budget to be an investment preserved to trade purposes , prepared for sale and preserved to pay ability**

Whereas the item (7) which states that **" The assets preserved until the pay ability data are measured after the primary recognition by the fair value "** has got the last grade with means of the test grade (2.22) and standard deviation whereas the difference means between the implementation degree of this item and the test value approved for accepting or refusing the item or the hypothesis (7.78-) in favor of the test value and T-value reached to (1.98) and it isn't statically significant value at the trust level (0.05) and that clearly indicates that **the assets preserved until the pay ability data aren't measured after the primary recognition by the fair value.** This item emphasizes the answers validity and the study population knowledge with the study subject whereas the assets aren't measurement by the fair value and this is what the item analysis result emphasized.

Finally, the difference means between the Jordanian banks implementation degree for the fair value in their accounting system according to the international accounting standard requirements number (39) and the approved test value was (1.06) , T-test reached to (72.00) at this level of difference and it is astatically significant value at the trust level (0.05). This clearly means that Jordanian banks implement the accounting concepts related to the fair value in their system and accounting records and this emphasize the right hypothesis which is " The Jordanian banks implement the accounting concepts on the fair value in their accounting system according to the international accounting standard requirements number (39).

The results related to the second hypothesis
The second main hypothesis

"**The Jordanian banks disclose to the accounting concepts of fair value according to the disclosure requirements that the international accounting standard (32) needs "**

Table (6) indicates the means , standard , deviation and one sample T-test on the disclosure degree variable of the Jordanian banks that implement the fair value accounting in their records and showed the fair value effects according to the disclosure requirements that the international accounting standards need.

Table (6) showed that item (1) that states "**The ways and hypothesis that are the base of evaluation the investments fair value in the financial assets are disclose**" has got the first grade between the whole items in the domain with disclosure means (4.41) and standard deviation (0.62). The difference means between the Jordanian banks disclosure degree about the content of this item and test value approved to accept or refuse the item or hypothesis was (1.41) degrees in favor of the banks disclosure degree where T-value reached to (52) which is statically significant at the trust level (0.05) and this clearly indicates that these banks adhere to the content of this item which is **The ways and hypothesis that are the base of evaluation the investments fair value in the financial assets are disclosed.**

On the other hand, item (7) that states (Disclosure the financial obligations and their type (commercial or non-commercial) in order to distinguish what is measured by the fair value) has got the last degree with obligation degree means (3.21) and standard deviation (0.95) , the difference means between the Jordanian banks adherence degree to the content of this item and the test value approved for accepting or refusing the item or hypothesis is (0.21) degree in favor of the Jordanian banks adherence degree to disclose the financial obligations and T-value reached to (24) and it is statically significant value at the trust level (0.05) and this clearly indicates the Jordanian banks adherence to the content of this item which is **Disclosure the financial obligations and their type (commercial or non-commercial) in order to distinguish what is measured by the fair value**

Finally, the difference means between the Jordanian banks adherence degree to disclose the accounting on the accounting concepts of the fair value in their accounting records , and approved test value is (1.01) T-value at this level of difference reached to (36) and it is a statically significant value at the trust level (0.05) which means we should accept the hypothesis validity which is **The Jordanian banks disclose the accounting concepts of the fair value according to the disclosure requirements that is international accounting standard (32) needs.**

Table (6): The means , the standard deviation and one sample T-test on the Jordanian banks disclosure degree variable to the accounting on the fair degree according to the international accounting standards requirements

	The item	T-test=3 degrees			
		The means	The standard deviation	The difference means	T-value
1-	The ways and hypothesis that are the base of evaluation the investments fair value in the financial assets are disclose	4.41	0.62	1.40	*52
2-	The ways of unachieved losses and profits treatment in the investments in the financial assets are disclosed because of the evaluation using the fair value	4.38	0.70	1.32	*45
3-	In terms of the investment in the financial assets prepared for sale , the losses and profits resulted from the process of selling these investments that are recognized in the income list should be displayed separately from the losses and profits resulted from the reevaluation process.	4.40	0.53	1.36	*61
4-	In terms of the investments in the other financial assets (trading and until the pay ability data) , the profits and looses resulted from the selling process are listed only in the income list in an item distinguished from the other imports	4.16	0.83	1.38	*37
5-	The investments that are measured by the cost are disclosed and explained why the fair value can't be measured.	4.09	0.88	1.02	*34
6-	The financial derivatives are disclosed and measured by the fair value and defining what is the derivative and the type of investment within it.	3.87	0.88	1.14	*32
7-	Disclosure the financial obligations , and their type (commercial or non commercial) in order to distinguish what is measured by the fair value.	3.21	0.95	1.26	*24
	Total	4.01	0.46	1.01	*63

* The indication at the trust level (0.05>=a)

The results of the study

The study reached to the following results:

1. **The Jordanian banks implement the accounting concepts of the fair value in their accounting system in terms of the measurement according to the international accounting standards (39) requirements , and as the following:**

- For the fair value measurement there are specific principles are implemented whereas the accounts that can't be measured by the fair value remain measured by the cost until there are principles enable them to be re measured by the fair value.

- The Jordanian banks implement the fair value concepts in the measurement and accounting about the financial assets with all their classifications (trading , prepared for sale , or preserved until pay ability date).

- Jordanian banks don't implement the fair value concepts in the financial obligations measurement but remain them measured by the historical cost.

- Jordanian banks implement the fair value concepts in the financial derivatives measurement using the same way that the financial assets are measured. They implement the accounting concepts of the fair value in these financial derivatives accounting

- The unachieved profits from the financial assets measurement on the fair value especially those financial assets prepared for sale are listed either in the income list or in the property rights.

2. **The Jordanian banks disclose the accounting concepts of the fair value in their accounting system and implement the accounting concepts related to disclosure on the fair value according to the international accounting standard (32) throughout**:

- The measurement ways are disclosed on the basis of the fair value it also discloses the losses or profits treatment ways that can't achieve investments in the financial assets.

- The financial derivatives measured by the fair value are disclosed and define the derivative type and the

investment type within it.
- The financial obligations measured by the fair value are disclosed.

Study recommendations
1. The international organizations should adhere the national organizations to adhere all firms to implement the international financial reporting and accounting standards.
2. The necessity that the adherence percentages to be bigger than the percentages extracted from the current study.
3. The checker should issue an item explain the extent of bank adherence to the international financial reporting and accounting standards.

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