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RESEARCH ARTICLE Open Access

THE EFFECT OF DISCLOSING THE FAIR VALUE ACCORDING TO IFRS7 ON MAXIMIZING THE COMPANY'S VALUE

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Abstract
The primary goal of this study is to examine the relationship between the impacts of fair value disclosure according to IFRS7 in maximizing the company's value in the Iraqi environment by applying it to a group of private Iraqi commercial banks. The goal of exposure is for the financial information included in the reports to be sufficient to help its users guide Their investments in the right direction, or to help in making rational decisions and to determine the response rate for comparison between investment banks and others, so there must be a link between the characteristics of accounting information and the purpose of its use. A unique scale was used to disclose the fair value, containing a set of questions disclosed in the four financial statements. Specific grades were given, and weights were given to the fully informed information (3 steps), the partially revealed information (2), and the undisclosed information (1). Degree after unifying the five disclosure ratios calculated based on the financial statements after converting them to standard numbers to make them homogeneous and remove the differences resulting from the mechanism of calculating each ratio. Tobin's Q index was relied upon to measure the company's value and calculate the values and proportions of the study variables in preparation for finding statistical relationships between the variables. Use the One-Sample Kolmogorov-Smirnov Test to test the normal distribution of data, the unit roots to test the predictability of the time series, and the standard deviation of the estimated error T-test One-Sample, Error of the Estimate: Std, and the one-way analysis of variance (ANOVA).

Keywords IFRS7, Fair Value, Company Value..

INTRODUCTION

Problem of the Study

Disclosure requirements by the International Financial Reporting Standards (IFRS7) enable users to assist users of financial statements. Adopting fair value disclosure affects stock prices, as when companies adopt fair value disclosure, the ratio of the share price (market value of equity) and book value (book value) approaches. The fair value of the property right) means that the fair value conveys essential information to decision-makers, which is reflected in the share prices of these companies. The problem of the study can be represented in the following question:

1-Is there an effect of disclosing the fair value according to (IFRS7) in maximizing the company's value?

Purpose of the study

The research aims to demonstrate the impact of applying the International Financial Reporting Standard (IFRS7) in the Iraqi environment by testing the impact of fair value disclosure on maximizing the company's value in that environment.

Hypotheses of the Study

The current study relies on the hypothesis derived from the posed research question.

1-There is a statistically significant effect of disclosing the fair value according to IFRS7 on the company's value maximization

In Light of the rapid and modern developments in global business and trade witnessed in the twenty-first century, international accounting standards and financial reporting are among the most widespread and applied fields due to the acceptance they have received in many countries. They have also become one of the primary journals that have a role in accounting. Through its ability to provide financial and non-financial information that helps many prominent parties inside and outside the economic unit to make appropriate decisions, as well as the changes in the Iraqi environment, especially the global business environment, from the entry of investors, changes in regulations and laws, and amendments to the unified accounting system for banks, as All of these changes occurred to reach disclosures in financial reports by international financial reporting standards. Therefore, it has become clear that it is consistent with researchers' interest in raising the level of exposure in financial statements. Fair value measurement assumes that transactions for the sale of assets or settlement of liabilities occur in the primary market. More on the most suitable market for selling assets and liabilities, in the absence of the primary market, and the company faces a challenge in determining its value, so there must be a combination of internal and external factors together in achieving the goals that the company seeks to increase its value.

International Financial Reporting Standards IFRS

Financial reporting is one of the essential topics that has received significant attention from accounting thinkers, as there is agreement on its importance and the necessity of its presence to encourage disclosure in financial reports greatly. The comparability of global economic companies' financial statements and information can be improved, as it benefits multinational and large companies. Comparison and suitability of the issued standards for application in all economic companies, thus facilitating comparison and verification in the financial company. Its importance has increased with the increase in the number of beneficiaries and users and its ability to meet their information needs, in addition to the qualitative characteristics of that information, the credibility and quality of reports, which makes it easy to identify capital and the ability to make appropriate administrative and investment decisions at the right time. We will achieve satisfactory results in this study that will help beneficiaries of the financial statements to make appropriate decisions. The importance of this study lies in raising the level of disclosure in the financial statements and the extent of its impact on maximizing the company's value.

Many of the studies discussed in this study indicate the impact of disclosure on the companies and fair value. One of the studies conducted by (Zarqat and Labaz, 2020) entitled: Risk Management in Algerian Commercial Banks in Light of the Requirements of the International Financial Reporting Standard IFRS7 "Financial Instruments." Disclosures," where I used the questionnaire as a study tool on a sample of banks to study the relationship between risk disclosure according to the IFRS7 standard and risk management in banks. I found that risk disclosure impacts the bank's policy in managing these risks and that compliance with the requirements of the IFRS7 financial reporting standard is reflected Better in the bank.

This study is an extension of previous studies that dealt with the disclosure of financial instruments in financial institutions (mainly banks), with the distinction, according to our knowledge, being that it addressed the subject at the level of insurance companies.

The study conducted by (Ali, 2021) entitled "The Impact of Ownership Structure on the Efficiency of Investment Decisions and its Reflection on the Value of the Company," targeting all Iraqi banks listed on the Iraq Stock Exchange (15) banks were selected from the private Iraqi banks listed on the Iraq Stock Exchange. Iraq Securities Exchange is a sample for the research for ten years, extending between 2010 and 2019, with (148) views. The study aimed to address the theoretical aspects of the ownership structure, the efficiency of investment decisions, and the value of the company and to measure both the ownership structure, the efficiency of investment decisions, and the value of the company, in addition to determining the theoretical and practical relationship between the ownership structure and the efficiency of investment decisions. This study concluded that investment decisions are long-term strategic decisions that require extensive analysis and study. The company's value can be maximized by adopting and developing a set of indicators, including competitive advantage, market share, brand equity, and added economic value.

The study (Arefi, D., & Amanollahi et al., 2022) focused on the research title: Applying and Teaching Fair Valuation Accounting in Banks with a Systematic Approach. Five hundred seventy articles were identified, and finally, 39 articles were selected using a critical evaluation method from reliable databases. The study aimed to identify the status of application and training on fair evaluation accounting in banks using a qualitative approach. From this perspective, the impact of fair value accounting on the efficiency of banks helps make political decisions to maintain the financial system's stability through sound banks, and I concluded that the financial system is necessary. Suppose fair value accounting practices improve banks' efficiency relative to historical cost principles. In that case, the additional improvement resulting from using unrealized gains can be used to generate higher returns on banks' credit portfolios. Credit growth depends on the capital level of each bank.

The main obstacle the researchers faced was the need to conduct a specific investigation into the research topic. Therefore, they had to rely on studies that closely correspond to the research variables and rely on the theoretical framework to enrich their analysis.

This research is divided into the following parts: In the first part, we will discuss the literature that deals with disclosure according to IFRS7, focusing on its relationship to the company's value, and we will review the literature related to variables of interest. In the second part, we will review the study methodology. In the third, we will review the results we have reached through statistical analysis. As for the last part, we will present the most important conclusions that we have reached.

LITERATURE PRESENTATION

A philosophical introduction to adopting international financial reporting standards (IFRS).

International Financial Reporting Standards is an applied guide for accounting disclosure and measurement, which is a derivative part of the qualitative characteristics of accounting information, and whose primary goal is to help users of accounting information to make rational decisions as the essential tools for practical application are the standards that control the work of accountants as a result of the presence of local organizations. International. Failure to implement these standards enables the company to use different accounting methods that affect the content of financial reports and make it difficult to understand and compare them. In order to improve transparency by improving the quality of financial reports, international financial reporting standards must be adopted (Jang et al., 2016, p. 1650). Many countries worldwide have adopted IFRS standards because they are guidelines and rules developed by the International Accounting Standards Board (IASB) to be followed by economic companies when preparing financial statements and consolidating financial reports, as these standards enable internal and external users to obtain disclosures. Moreover, the possibility of comparison quickly (Achilleas, 2011, p. 11). The presence of acceptable global standards that are one set and high quality plays a role in increasing the global capital market. This is done to fill the gap arising from the information and reports provided by the company to the users of these reports and the company's management, as indicated. The Securities Commission in the United States of America (SEC) has long supported a set of high-quality, single global standards whose mission is to enhance comparability and standardization and contribute to the quality of reports and financial statements provided by the company. (Malofeeva, 2018:148) International financial standards are one set of global standards that can provide the best common platform between the company that reports financial information in its reports and stakeholders, as the existence of standards is to improve the quality and comparability of the information disclosed. For comparison (Kim, 2011, p. 2), the economic companies that adopted these standards contributed to reducing the expected errors committed by financial analysts, and the results scattered from the results disclosed in the financial reports (Byard et al., 2011, p. 69). International Financial Reporting Standards are binding for application for companies listed on financial markets. They are not binding for non-listed companies when preparing financial reports and disclosingg information (Amir, 2013, p. 14).

As for the Financial Reporting Standard - Financial Instruments - Disclosures (IFRS7), the goal of the standard is to create new requirements regarding disclosures related to financial instruments to include them in the financial statements in order to include them in financial statements and reports prepared by the standards that are, additional disclosures were created for financial instruments, as they focused Disclosures on risk points "represent market risks represented by currency risks, interest rates and other price risks, credit risks, and liquidity risks" (Vojapkova, 2015:177). In addition to requiring economic companies to provide disclosures in their financial statements and reports that make users evaluate the following (IFRS7,2018:268)

A- Determine the importance of financial instruments for economic companies in terms of their position and financial performance.

B- What economic risks are the company exposed to, their nature and extent regarding financial instruments during the fiscal year, and how does the unit manage them?

Disclosures must be based on the accounting policies followed in the company that prepared the financial statements and reports by international financial reporting standards, as well as the consolidation amendments, as there is a possibility that the information within the company available for risk management by management was not done using these accounting policies, and here management needs to Amendment. For this reason, the standard required repeating the disclosure according to the "category" of financial instruments, "which is a group appropriate to the nature of the information reported and the characteristics of the instruments." This category of financial instruments has a lower level of aggregation than the category, for example, (loans available for sale). Or (receivables), any debt securities, stocks, or securities can be considered a category of financial instruments (Muthupandian, 2014:3). As for the effective date, the first application of this standard with its amendments began on 1/1/2017, as it did not require the economic company to show comparisons in numbers with previous years (IFRS7, 2018:268). The requirements indicate the importance of financial instrument items in the income statement and financial position and the necessity of disclosing them to assist users of financial reports in assessing the fundamental significance of financial instruments.

Fair value

Throughout history, there have been many controversies in the financial statements of economic units. One of the main issues of disagreement among practitioners, regulators, and theorists is evaluating an element or item of the financial statements, which is one of the most critical stages, as the evaluation leads to appropriate and high-quality information—quality information about assets and liabilities that it needs to help users make different decisions. One of the principles of valuation is the fair value principle, which (Emerson al. 2010: 77) brought about changes in the structure of financial information, which was previously based mainly on historical costs. This was a result of the development of accounting theory over the three decades, which led to a move away from Generally Accepted Accounting Principles (GAAP) and International Financial Statement Preparation Standards (IFRS) from historical cost, which was the cornerstone of traditional accounting and moved towards fair value to be a challenge among auditors. And regulators (Zyla, 2020:1)... It is more attractive to professionals and standard setters because it reflects the actual economic situation of the company, as well, as it is considered the best and most appropriate measure for decision-making, in contrast to the historical cost, which relies on reports related to financial statements being based on reliable data over time. It does not have the appropriateness feature for making decisions after the period of the event occurring. Since it is sufficient to report the historical registration of assets and liabilities without providing updated information about the current value, the use of fair value in reports related to all previous and present actions and events improves the comparative advantage as it includes the historical cost—a group of different evaluations and hypotheses that need to be revised in making comparisons with high accuracy. Therefore, using fair value has become an ideal alternative to address the principles' gaps, including the regulation of historical cost (Kenza, 5: 2019).

It can be said that the oldest and most prominent definition of fair value is that of the US Internal Revenue Service (IRS) in 1959, which defines it as "the price that is exchanged between a buyer willing to buy and a seller willing to sell when the first (the buyer) is not forced to buy and is not The second (the seller) is forced to sell, and both must have reasonable knowledge of the facts associated with the transaction" (Hammad, 8: 2003) According to (25: 2020, (AL Tawalbeh), the fair value "The ability to make the right decisions based on the information provided will bring Great benefits for users and investors from financial statements and will ensure the correct buying and selling process without fraud and coercion." As for Suryady, & Limbunan (2022:3), he defined it as "the price obtained to sell assets, or paid to transfer liabilities on the measurement date."

Company value

The high competition between companies has necessitated that some companies increase the value of their shares in the financial markets, maximize the wealth of their shareholders, and work to maintain stable levels of performance or improve their growth, and this, in turn, leads to achieving the primary management goal, which is maximizing the value of the company. It is one of the most important strategic goals of the company's Management in general and the financial Management in particular, as its financial decisions are directed towards achieving one goal, which is increasing revenues and reducing costs, and this leads to maximizing profits, which increases the company's value in the financial market.

The term concept of value is originally derived from the Greek term (Valior), which means "what a thing is worth or what it is worth (to be worth)." Here, it is clear that value has two meanings, namely (use value and exchange value). The moral concept of value represents Determining what something is worth in terms of its ability or importance (Al-Shirazi, 1990: 473). For companies, the concept of value takes a material dimension, and the price system is adopted to determine the relative importance of product prices and product factors. This is known as exchange value, as prices are used as a basis for expressing both benefits on the one hand and relative scarcity on the other hand (Al-Shirazi, 1990: 473.)

As for the concept of the company, "it is an entity invented by society and employed to better satisfy the interests of society, or a contract under which two or more people commit themselves to each contributing to a project aimed at profit by providing a share of money or work, to share what may result in profit or loss" (Demetri, 2008 : 117). Accordingly, the value of the company can be defined as "the market value of ordinary shares in the stock market" (Al-Mousawi, 2018: 33), while

Abdul Rahman sees it as "the fair monetary amount specified and acceptable to both the seller and the buyer, expressed as the fair value of the company's resources, that is, the total returns expected to be obtained." It is affected in the future as a result of exploiting those resources while ensuring the company's continuation" (Abdul Rahman, 2018: 33), while Moreno defined it as "a set of characteristics associated with the company and determined on the basis of the company's previous actions" (Moreno, 2019: 39). The availability of financial and non-financial information is considered It is an essential matter in providing disclosures to the stock market in terms of the quantity and quality of information that must be made available to users, whether they are inside or outside the company, and this leads to increasing the value of the company, as the information is essential in investment decisions to be used in evaluating the company in which the investment will be made, and in some cases you may choose Management in reporting its positive results and refraining from mentioning adverse effects, which affects the value of the company and thus affects the confidence of users. (Davern, 2018:25)

The objectives of measurement are to achieve service to the external and internal parties of the company that influence their decisions, including the following (Kazim, 2022: 75). Providing the necessary and essential information about the company to external parties, the most important of which are investors, to assist them in making appropriate investment decisions. It plays a vital and influential role in mergers between companies; if companies face competitive conditions and to support their decisions to continue in the market, they sometimes need unions with another company through evaluating the merging company, and this requires measuring the value of the company that is the subject of the merger. One of the primary goals of measuring a company's value is to maximize its value. The traditional goal for the company's Management was to maximize its profits because it is a positive aspect for all companies to measure their success, and achieving profit indicates the company's ability to continue. Still, the trend has moved towards maximizing value and increasing wealth. These stakeholders achieve a solid competitive position. The value of the company affects the time limit and obtaining financing. The higher its value, the higher the financing ceiling, as it incentivizes them to grant the necessary funding. In addition, it enables the administration to know the extent of its ability to manage its resources and its progress.

Based on the study, it can be concluded that the concepts of disclosure, fair value, and the company's value are closely linked. The distinction is that disclosure impacts the company's value through the amount of disclosures in the financial statements that can affect the company's value, regardless of whether this effect is immediate or delayed.

The Practical Side

They were measuring the fair value disclosure model. This model was evaluated by unifying the five disclosure ratios calculated based on the financial statements after converting them to standard numbers to make them homogeneous and remove the differences resulting from the mechanism for calculating each ratio. The results shown in the table below were reached.

The Middle	2022	2021	2020	2019	2018	2017	2016	Bank Name
-0.215	-3.101	2.142	1.467	-0.806	-0.904	-1.32	1.015	Ashur International Bank
-2.222	0.33	-3.683	-4.652	-5.132	1.979	-0.078	-4.321	Bank Of Baghdad

-1.101	-0.263	0.766	1.015	-1.112	-4.06	-3.035	-1.021	Commercial Bank
-1.101	-0.263	0.766	1.015	-1.112	-4.06	-3.035	-1.021	Gulf Commercial Bank
1.949	6.061	5.401	2.547	0.294	-1.949	0.447	0.84	Investment Bank
1.146	1.406	2.494	-0.026	-0.315	4.651	1.459	-1.644	Middle East Bank
0.548	2.886	-0.745	0.448	0.593	2.476	1.324	-3.145	Al-Ahli Bank
0.120	1.93	1.327	-3.294	1.459	1.511	1.006	-3.101	Al-Mansour Bank
-0.169	-2.027	2.762	6.682	0.478	-4.075	-0.819	-4.186	Sumer Commercial Bank
1.677	0.548	3.178	2.854	4.469	1.593	0.966	-1.866	United Bank
	0.750	1.440	0.805	-0.118	-0.284	-0.309	-1.845	Physical Mean
	2.569	2.449	3.156	2.408	3.160	1.696	1.971	Standard Drift

Standard numbers were used to determine the response rate for comparison between banks to choose the ranking of the banks, where the arithmetic mean represents the bank's response rate. We note that 2021 was the highest in response, as the arithmetic mean reached (1.440), while the lowest in terms of response was in 2016 when it came (1.845-). For the years, as for banks, the bank with the highest answer was United Bank (1.677). The standard deviation indicates that the smaller the error in measuring disclosure, the more accurate the test scores, so 2017 was the best with a deviation rate of (1.696(

Measuring the value of the bank and analyzing it through Tobin's Q model

The company's value is measured using Tobin's Q scale. Whenever the value of Q increases above one, this indicates an increase in the company's value. If its value decreases below one, the company's assets are valued at a higher value than its market value, leading to a decrease in its value. If all Q values for the bank and all years appear negative, the highest value is the closest to zero, while the lowest value is the furthest from zero. The deal was measured according to the following equation, as shown in the table below:

Tobin's Q= **Total market value** + **Total book value of liabilities**

Total book value of asset

Market values according to Tobin Q								Bank name
المتوسط	2022	2021	2020	2019	2018	2017	2106	
0.593	0.751	0.721	0.570	0.512	0.549	0.492	0.553	Ashur Bank
0.823	0.414	0.978	0.876	0.825	0.826	0.886	0.954	Bank of Baghdad
0.678	0.852	0.689	0.679	0.651	0.625	0.631	0.618	Commercial Bank of Iraq
0.480	0.558	0.435	0.399	0.442	0.456	0.468	0.604	Gulf Commercial Bank
0.571	0.378	0.596	0.536	0.508	0.534	0.690	0.758	Iraqi Investment Bank
0.649	0.377	0.664	0.665	0.632	0.707	0.775	0.726	Middle East Bank
0.716	0.195	0.995	0.913	0.835	0.671	0.721	0.680	National Bank of Iraq
0.729	0.384	0.599	0.978	0.809	0.810	0.780	0.740	Al-Mansour Investment Bank
0.753	0.953	0.546	0.511	0.595	0.894	0.891	0.880	Sumer Commercial Bank
0.497	0.408	0.731	0.582	0.533	0.411	0.427	0.389	United Investment Bank
	0.527	0.695	0.671	0.634	0.648	0.676	0.688	Arithmetic mean

Through the results of the table above, which shows the value of (Q) for each bank for the period (2016-2022) using the (Tobin's Q) equation, it is clear from the results above that the Bank of Baghdad achieved the highest level of value in the year (2021), as it reached (0.978), while Al-Ahli Bank recorded the lowest level of value in the year (2022), running (0.195). The table shows that the value of (Tobin's Q) decreased for most banks and that their assets are valued higher than their market value, as no value exceeded (1), and the reason for this may be due to this. The economic crisis that struck the country after the war against the terrorist organization ISIS, the decline in oil prices, the spread of COVID-19, and other factors, as the market value of stocks and the vast majority of banks fell below the nominal value.

Testing research hypotheses

First, check the integrity of the data.

To provide the appropriate basis for testing hypotheses, the researcher examined the integrity of the data and ensured its suitability for testing by ensuring that there were no missing values in the data, forming a correlation matrix, as well as ensuring that the indicators of the independent variables were free of linear interference, in addition to testing the stability of time series, testing autocorrelation, and examining the distribution. Natural and my agencies:

1-Descriptive statistics

The descriptive statistics for the data on the variables that will be used in testing the hypotheses can be summarized in the following table:

Table (1) Descriptive statistics for the research variables

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
FVD	70	-5.132	6.682	.00000	2.612252
FV	70	-.90595	3.48854	1.0000003	.99999971
Valid N (listwise)	70				

The most important thing to note from the table above is that the sample size for all variables is 70 observations. The Valid N (listwise) values are also 70, meaning there are no missing values in the variable's data.

Normal distribution test

A standard distribution test was conducted for the data of the research variables, and the results were as follows:

Table (2) Test of normal distribution of data for research variables

One-Sample Kolmogorov-Smirnov Test			
		FVD	FV
N		70	70
Normal Parameters[a,b]	Mean	.00000	1.0000003
	Std. Deviation	2.612252	.99999971
Most Extreme Differences	Absolute	.070	.055
	Positive	.063	.055

	Negative	-.070-	-.047-
Test Statistic		.070	.055
Asymp. Sig. (2-tailed)		.200[c,d]	.200[c,d]
a. Test distribution is Normal.			
b. Calculated from data.			

The above results indicate that the significance of all variables (Sig) is more significant than 0.05, which means that their data follow a normal distribution and are suitable for statistical Analysis of the parametric type.

1- String stability test (unit root(

The stability of the time series for variable data was also confirmed by examining the random trend in the time series and whether the series has systematic patterns valid for prediction, or in other words, ensuring that the change in time does not cause a difference in the shape of the distribution of the time series, as the goal is Analysis of the stability of time series is to obtain an accurate description represented by discovering the pattern of the studied phenomenon, by recording past values and the changes that occur to them during specific periods, and the stability of time series depends on the presence of almost constant arithmetic mean and variance over time. Relying on unstable variables gives misleading results among the variables of the study. This is confirmed by testing the unit roots, which makes it unpredictable if present in the series. Using the Eviews-v10 program, the results were as follows:

Table (3): Testing the stability of series (unit root) for the research variables

Variable	T-Statistic	Prob	Result at level
FVD	-3.295046	0.0189	Stationary
FV	-2.106970	0.0242	Stationary

It is noted from the table above that the significance level of Prob) of the time series data for all variables is smaller than 0.05, and therefore, it is stable at the station. This means that these data are suitable to be relied upon for prediction and to conduct regression analysis to test the research hypothesis.

B- Results of hypothesis testing

After examining the integrity of the data and ensuring its suitability for testing, the researcher tested the hypothesis statistically.

Hypothesis: "There is a statistically significant effect of disclosing the fair value according to IFRS7 on the company's value."

To test this hypothesis, the following "linear regression" model was formulated:

$$\boldsymbol{FV_{it} = b_0 + b_1 FVD_{it}} + \varepsilon_{it}$$

Table (4) Summary of the Third Hypothesis Testing Model

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.863[a]	.745	.741	.5087
a. Predictors: (Constant), FVD				
b. Dependent Variable: FV				

The table above shows the model summary that the correlation (R) value between the variables was 0.863. The coefficient of determination, R Square, was 0.745, representing the model's explanatory power, meaning that the first independent variable (fair value disclosure) explains 74.5% of the explanation obtained in The dependent variable, the standard deviation of the estimation error Error of the Estimate. Std was 5087.0, and the lower this type of error is, the better it is statistically.

Table (5) Variance of testing the third hypothesis

ANOVA[a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	51.399	1	51.399	198.577	.000[b]
	Residual	17.601	68	.259		
	Total	69.000	69			
a. Dependent Variable: FV						
b. Predictors: (Constant), FVD						

Its tabular value, calculated according to the degrees of freedom of (1,68), amounts to 3.98 at a significance level of 5%. The significance level of the test Sig reached 0.000, less than the value of the error accepted in the social sciences, which is predetermined by 0.05. This indicates the suitability of the statistical model used to test the Hypothesis.

Table (6): Regression function coefficients for the third Hypothesis

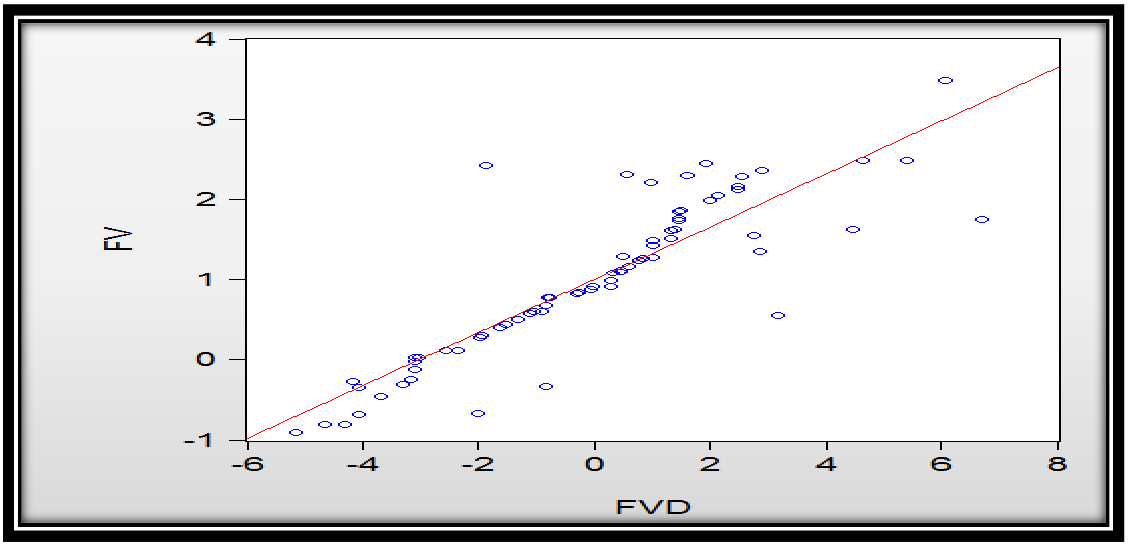
Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.000	.061		16.445	.000
	FVD	.330	.023	.863	14.092	.000

a. Dependent Variable: FV

The most important thing that the regression function Coefficients table shows is that the slope value of the regression equation reached 0.330, which shows the effect of the independent variable on the dependent variable (via factor B), and the positive value of the coefficient indicates that there is a direct effect between the independent and dependent variables, or in other words, that any increase in the variable The first separate (disclosure of the fair value) by one degree leads to a rise of 50.1% in the dependent variable (company value) with all other independent variables constant. It is also noted from the table above that the significance level of the T-statistic for the independent variable reached 0.000, which is much less than the error. It is accepted in the social sciences and is predetermined at 0.05. This means that the sample data provided convincing evidence to accept the hypothesis to prove the effect statistically. The following figure confirms the inverse relationship between the two variables through the upward direction of the curve.

Figure (1): The impact relationship of fair value disclosure on the company's value

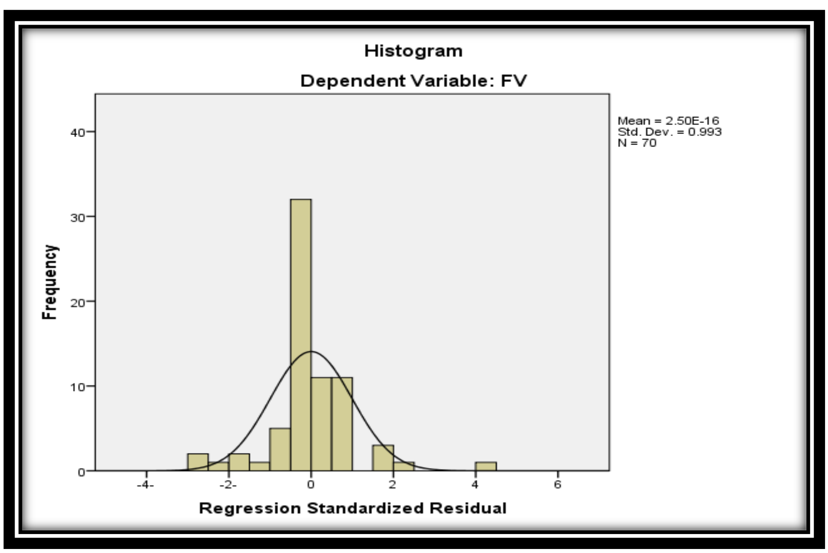


The regression equation that was adopted to test the hypothesis can be reformulated in light of the results reached, which can be used for the purpose of prediction as follows:

$$\boldsymbol{FV} \quad = \mathbf{1.0 + 0.330} * \boldsymbol{FVD}$$

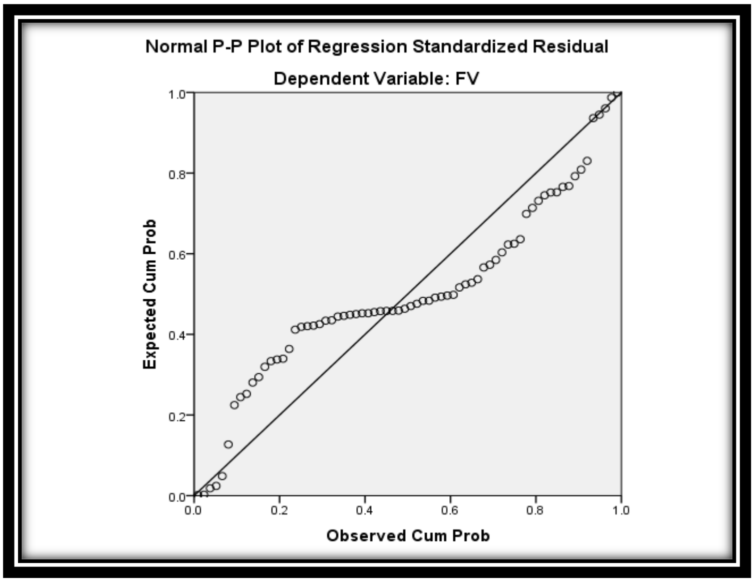
The following figure displays the frequency histogram, which shows the normal distribution of the statistical residuals of the regression equation and the accuracy of the previous regression equation.

Figure (2): Frequent histogram of the remainder of the third hypothesis



The following figure shows that the conditions for the regression analysis test are met in graphic form. It shows the distribution of points around the straight line, which proves that the statistical residuals follow a normal distribution.

Figure (3): Normal distribution of the remainder of the third hypothesis



CONCLUSIONS

The current study dealt with the philosophical aspects of disclosure, fair value, and the company's value. In particular, this study aims to study the feasibility and possibility of enhancing the company's efficiency through reasonable disclosure and imposing penalties on companies that default in presenting their disclosures within the specified period. Will using this type of disclosure reduce... Effectively protects against misstatements in the financial statements committed by management, regardless of whether they are private or government companies. The study results revealed a statistically significant effect of disclosing the fair value according to IFRS7 on the company's value. In addition, most of the paragraphs that were admitted to the banks in the research sample are within the second main category (financial and non-financial information), and the least that was disclosed was within the first category (shareholders' rights and ownership) and the third category (management and the board of directors). In addition, companies should ensure the adequacy of the information contained in the financial statements that meet the needs of the users of this information, review and analyze the information contained in these reports to determine the extent of its adequacy, and impose a penalty and fine in that regard, along with developing legislation regulating the disclosure process.

The study indicates that companies are obligated to disclose the risks of financial instruments by the requirements of (7IFRS), as it is one of the most critical disclosures for companies, which is emphasized by international financial reporting standards and facilitating access to and obtaining information by reducing stereotyping in disclosure, and working well and extensively to close the gap. They are adding companies need to hold awareness seminars, workshops, and conferences to inform investors of the future problems of liquidity risk and their impact on maximizing value.

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