



Evaluating the Suitability of the Requirements For Adopting International Financial Reporting Standard Ifrs 18 In the Banking Sector and Its Impact on Enhancing the Quality of Financial Reporting at Mansour Investment Bank

Ali Adi Radhi Al Shamri ^{1*}

Ministry of Education, General Directorate of Education Wasit

DOI:

<https://doi.org/10.47134/aaem.v3i2.1076>

*Correspondence: Ali Adi Radhi Al Shamri

Email: Aliaadie78@gmail.com

Received: 06-11-2025

Accepted: 29-11-2025

Published: 12-12-2025



Copyright: © 2025 by the authors. Submitted for open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license (<http://creativecommons.org/licenses/by/4.0/>).

Abstract: The study goals to assess the suitability of the necessities for implementing International Financial Reportage Standard (IFRS) 18 in the finance sector, analyze its bearing on improving the quality of financial commentary, and quantity the level of responsiveness and readiness of bank organization and workforces to implement it. It also studies the impact of its execution on civilizing the transparency, authority, and comparability of pecuniary statements. The study employed a descriptive-analytical approach, relying on published financial data and reports, as well as analyzing the availability of the necessary regulatory, technical, and human resources requirements for adopting IFRS 18. The impact of applying this standard on the quality characteristics of financial reports, namely relevance, reliability, comparability, and transparency, was also analyzed. The grades showed a perceptible positive impact of employing IFRS 18 on cultivating the quality of pecuniary reporting and ornamental the reliability of released accounting information. The study indorsed accelerating the homework of strategic plans for executing the standard, intensifying training sequencers, and enhancing discovery and transparency. This would underwrite to raising the productivity of banks' investment conclusions and increasing participant sureness.

Keywords: International Standard IFRS 18, Financial Reporting Quality.

Introduction

In sunny of the speedy progresses in the financial and occupational environment and the unremitting vagaries in the desires of employers of financial announcements, the need has developed urgent to develop worldwide accounting ethics to ensure the facility of added translucent, disclosed and superiority commercial material to enhance assurance between nominees and decision-makers in pecuniary markets, as transnational accounting morals play a pivotal role in amendable and enlightening financial commentary observes (Mahmoud and Al-Shaymaa, 2024). The principal purpose of general monetarist reporting is to deliver relevant economic details about a concern, enabling existing and probable

investors, investors, and other creditors to brand informed verdicts about allotting their possessions. Currently, International Accounting Standard 11 (IAS 11) specifies the requirements for presenting general-purpose financial statements to ensure consistency and comparability over time and between companies. It also sets guidelines for the format of financial statements and specifies the minimum information they must contain (Tulokas, 2025). Financial statements are the primary means of communication with stakeholders, and therefore, their structure and content are a key focus of accounting regulations. A new accounting standard, International Financial Reporting Standard 18 (IFRS 18), "Presentation and Disclosure in Financial Statements," was issued in April 2024. Companies that prepare their reports under International Financial Reporting Standards (IFRS) should apply this accounting standard for periods beginning on or after January 1, 2027 (Czajor, 2024). IFRS 18 aims to... IFRS 18 addresses the presentation of financial statements and will replace International Accounting Standard 1 (IAS 1) starting in 2027. Therefore, many of the existing IAS 1 requirements will continue to apply, but as part of IFRS 18. It is important to note that this standard contains highly detailed technical content. The most significant changes introduced by IFRS 18 relate to the presentation of income statements and specific disclosure requirements concerning management-defined performance measures. In addition to these two amendments, specific amendments were made to other financial statements (Salotti, 2024). International Accounting Standard IAS 1 allowed the merging or separating of information to the extent that it was sufficiently different or material without loss of comprehension. Definitions and guidance are usually discretionary and give companies considerable leeway to assess the best way to present information. International Financial Reporting Standard IFRS 18 sets clearer rules on merging and separating. Companies must justify why they are merging or separating certain items and demonstrate that such decisions increase the usefulness of the information. Instead of a discretionary approach, systematic separation of items is required according to their nature or function (Almansour, 2019). The most significant change is found in the income statement and the statement of comprehensive income (Svafarsson, 2025). Accounting disclosure under IFRS 18 improves the quality of disclosure of exchange rate changes within the items of the statement of comprehensive income, and this is reflected in the quality of financial reports, particularly when translating financial statement items (Hisham, 2025). A large part of IFRS 18 has focused on disclosure. Because of its importance in providing the necessary information to support stakeholders and to bolster their confidence in financial statements and reports, as well as disclosing comparative information regarding the previous period for all amounts included in the financial statements, whether in the body of the preliminary financial statements or in the notes, which does not require any other standard (Jihan, 2024).

Literature Review

First :Presentation and Disclosure under IFRS 18

Under International Financial Reporting Standard IFRS 18, companies must organize and group assets, liabilities, equity, revenues, expenses, and cash flows together according to common characteristics, such as their nature or function. This classification ensures that similar items are clearly presented in the financial statements and explained in the notes. Items must be broken down if they differ in significant ways. This breakdown must be reflected in the main financial statements when necessary to provide clear and meaningful summaries and included in the notes if required to show material information in accordance with IFRS 18 (Tulokas.2025). IFRS 18 familiarizes three sets of new necessities aimed at attractive companies' expose of financial presentation and providing stockholders with a solid basis for analyzing and relating firms. The objective of the new ordinary is to enhance the clarity of evidence conveyed in economic statements, with a individual focus on improvements to the revenue account and complementary explanatory notes(Hassan& Ibrahim,2023). Practically every establishment that habits IFRS standards in concocting its financial accounts is artificial by IFRS 18, as this average sets guidelines foremost the appearance and discovery of pecuniary statements. This disturbs all entities that fulfill with these canons (De Castro Neves, 2024). The IFRS 18 organization, in bestowing performance material, has some clear recompenses and shortcomings. The income announcement, hush-hush into operational, investing, and supporting activities, affords information appropriate to the calculation of the establishment's core activities. Unlike the outlay category, where salary is generated autonomously of the establishment's other properties, and the financing category, somewhere profit or loss ascends from assets and charges related to the establishment's financing happenings, the operating grouping is difficult to explain clearly(Abdullah& Ibrahim,2024). For this purpose, IFRS 18 seems to include all lingering items that do not fall beneath the investment and supporting groupings in operating profit. In the end, the presentation of all-inclusive operating profit in the enduring categories inherently parameters management's decision in organizing items for inclusion in operating otherwise non-operating salary (Lee, 2024).).

Secon: Standard Requirements IFRS 18

The submission of IFRS 18 includes numerous requirements for the grounding of financial accounts, which are separated as surveys (Jihan, 2024):

1. Requirements associated to the interim economic accounts during the reporting period, plus: the statement of profit or forfeiture, the statement of all-inclusive income, the account of financial situation, the statement of vagaries in equity, the announcement of cash flows, illustrative notes, and concert measures demarcated by supervision.

2. Rations related to financial commentary, including illuminating notes and routine measures.
3. Providing qualified information for aforementioned epochs as detailed by the average.
4. If mandatory, the statement of pecuniary situation for the opening of the period preceding the broadcasting period must be accessible.
5. The pecuniary entity is obligated to assemblage or separate evidence in the interim pecuniary statements and complementary notes constructed on communal appearances, while classifying objects that do not segment the same appearances autonomously, ensuring that no quantifiable or momentous information is obscured.
6. A clear narrative of the elements of the short-term pecuniary statements—whether totalities, subtotals, or notes ought be provided to smooth considerate by decision-makers.
7. Offsetting moneys and responsibilities or revenues besides expenses is not permitted without required or allowed by Intercontinental Economic Commentary Morals (IFRS).

Accordingly, IFRS 18 postulates a set of announcements that organize "interim financial announcements," all of which the pecuniary entity must contemporary with equal implication. Alternative descriptions are tolerable for these statements, providing they are consistent through the context and satisfied defined by the standard. Executing IFRS 18 in Iraq presents a experiment, requiring modifications to bookkeeping and control arrangements to comply with its rations, which necessitates possessions and expertise. It also confounds the homework of data and the arrangement of expenses. Nevertheless, it offers openings to improve photograph and comparability, thereby improving investor assurance and smoothing access to capital bazaars.

Third: Objectives of IFRS 18

IFRS 18 epitomizes a significant progress of IAS 1, aiming to progress the quality and transparency of monetarist information accessible in financial announcements. In the announcement of cash flows, the revenue statement, characterized into operating, participating, and funding activities, converts capable of handover relevant material for evaluating the establishment's core happenings (Al Baaj & Obaid, 2024). Unlike the participating category, where revenue is generated helplessly of other establishment resources, and the sponsoring category, where turnover or loss retires from assets and responsibilities related to the concern's financing happenings, a clear cataloguing of the operating federation is difficult to promotion. Consequently, IFRS 18 seems to involve all enduring fundamentals not tumbling under the participating and financing groupings within operational profit. The purposes of IFRS 18 can be shortened as trails (El-Sayed, 2024): 1. To improve the superiority and photograph of financial evidence presented complete financial hearsays and speeches. 2. To increase the comparability of pecuniary information across various companies. 3. To promote and stereotype bookkeeping

practices. 4. To meet the essentials of pecuniary statement users for superior financial evidence. 5. To provide nominees with improved echelons of evidence about establishments' financial concert and to provide them through more consistent and homogenous locations for their investigation..

Fourth: Presentation and Disclosure under IFRS 18

IFRS 18 affords updated guidance for bestowing income and incidentals in a profit or loss account. Under the new average, companies must assemblage these objects into three main groupings: operating, advancing, and supporting(Algburi,2021). Furthermore, the standard affords two mandatory subtotals: operational profit and turnover before finance and salary taxes. These fluctuations aim to steadfastness nominees' apprehensions about irregularities in the appearance of profit or loss announcements, which have delayed the opportunity of associating financial routine across different establishments (Tulokas, 2025). The presentation of operating profit operates in a residual category of operating profit, as it limits management's discretionary power in classifying items to be included in operating or non-operating income(Assad,2025). This is because many economic units in this period provide a measure of operating profit in the absence of a clear definition of this subtotal in financial reporting standards. It may appear to be a comparable indicator, but it may be defined quite differently in practice. For example, current operating profit measures may include interest expense items that other economic units include in finance. Practice varies whether income from associates is included or not(GHANEM,2024). The treatment of exchange rate differences is another area that creates inconsistencies (Jumah, 2025). The new standard generally organizes revenues and expenses into categories, similar to a financial statement, which will be presented in sets of operating, investing, and financing results (Salotti, 2024).

1. Operating Category: This includes the main results generated from the company's operations. All company revenues and expenses, such as sales revenue, cost of goods sold, sales expenses, and general and administrative expenses, are included in this category. Results not classified in other categories (such as investing, financing, profit tax, and discontinued operations) will be residually classified within the operating category.

2. Investment Category: This includes revenues and expenses from investments by companies and financial institutions in general, and results from investment properties, such as appreciation or depreciation of their value or rental income from these assets.

3. The Finance grouping includes proceeds and expenses after financing-related responsibilities (such as loans and bank financing), attention income and incidentals, and argument rate changes ensuing from requirements arising since communications that are not merely related to bankrolling (such as lease obligations or retirement benefit plan obligations). As for discovery under IFRS 18, the average introduces three sets of new-

framed ratios aimed at enlightening the disclosure of establishments' financial concert. The main focus is on collective the precision of information confined in financial proclamations, with an prominence on progresses to the income statement and additional notes. These fluctuations are considered to provide nominees with a more compact basis for investigating and comparing establishments, promoting a added controlled approach to bestowing pecuniary statements. Almost all companies that use IFRS standards will be affected by the international standard IFRS 18 because the standard sets guidelines governing the presentation and disclosure of financial statements, thus affecting all entities that follow these standards. This change is particularly important in a global context where consistency and comparability are crucial for investors and financial analysts (El Khatib, 2025). IFRS 18 introduced an obligation to disclose, in the notes to the profit or loss statement, information on all measures defined by management as performance measures.

A management-defined performance measure is defined as a subtotal of revenues and expenses, which must:

1. Be used by the economic entity for general communications outside the financial statements.
2. Be used by the economic entity to communicate to users of the financial statements management's view on an aspect of the entity's overall financial performance.
3. Be any measure not included in IFRS 18, or not required to be presented or disclosed under another standard. It must be explained which aspect of financial performance each measure reports, how it is calculated, and a match must be disclosed between the management-defined performance measure and the most directly comparable subtotal.
4. It requires the economic entity to disclose information indicating that the performance measures defined by management are not necessarily comparable to similarly named or described measures offered by other entities.
5. It also specifies the types of non-financial reporting that can be considered general reporting for the purposes of IFRS 18, particularly a performance measure defined by management. General reporting includes management comments, press releases, and investor presentations.

Fifth: The role of IFRS 18 in comparing companies

IFRS 18 will afford investors with stronger and more dependable evidence about companies' pecuniary results, enabling recovering speculation decisions. This affects all establishments that adopt IFRS canons. Investors often face exertion finding useful evidence in monetarist statements due to an copiousness of extraneous data and a lack of operative statement. IFRS 18 introduces three dissimilar sets of new procedures aimed at

growing the transparency of concerns' financial outcomes and, accordingly, providing stakeholders with a basis for gauging and comparing establishments: (Corrêa et al. 2024)

1. Improving comparability in the revenue declaration: IFRS 18 familiarizes three specific groupings of revenues and overheads – operating, hoards, and financing – to improve the erection of the revenue statement and necessitates all concerns to present-day the newly defined subtotals, counting operational profit. The improved structure and new subtotals are expected to provide investors with a consistent basis for analyzing company performance, as well as facilitating the comparison of information.

2. Improved Transparency of Management-Defined Performance Measures: Many companies provide specific measures, called alternative performance measures, which investors find useful. However, most companies currently do not provide investors with enough information to understand how these measures are calculated and how they relate to the subtotals in the income statement. These new requirements are expected to improve discipline and transparency in management-defined performance measures, as well as facilitate auditing of companies subject to this process.

3. More Efficient Information Grouping in Financial Statements: Investors' analysis of company performance is compromised if the information provided is either overly condensed or overly detailed. In this sense, IFRS 18 provides guidance on the organization of data and whether it should be presented in the primary financial statements or in the explanatory notes.

The standard also requires companies to increase the transparency of operating expenses, making it easier for investors to identify and understand necessities.

Sixth: The role of financial broadcasting standards in the eminence of financial rumors

The quality of pecuniary reports remainders an important question and fascinates serious consideration among supervisors, professional auditors, and other manipulators of monetarist evidence. This occurs since good pecuniary commentary can have a substantial and productive impact on all backers in a company. It transmits to how municipal sector entities deliver supervisory responsibility for public capitals and other assets assigned to them, supporting public fund benefactors such as supporter agencies, internal and foreign nominees, and taxpayers in production important pronouncements, between other resolutions. The role of pecuniary reporting eminence in mitigating intervention complications has been underlined in bookkeeping and financial nonfiction. Financial analysis quality replicates the escalating influence of quantifiable skewedness as a source for repayment agreements and is an imperious source of suggestion that supports stakeholders monitor administrators (Rasheed, 2025). Therefore, economic propagation eminence is expected to support to swelling the importance and persistence of accounting and monetary evidence and mounting the special of accounting and financial information

snapshot to simplify close watching of executives' obligation for apposite discovery (Yusran, 2023). The arrangement of monetary information involves more than a few inherent limitations, counting its historical wildlife, generality, exposure to erroneous evaluations, unadventurous nature, and irregularity with actual conditions. The principal objective of pecuniary statements is to provide pecuniary information about commentary entities, and it is important to deliver financial information Complete, clear, and accurate monetary reports are essential for a firm's financial stability, certifying the continuity of its procedures. They also assist as a tool for managing to determine the company's responsibility in the custom of its resources, as the evidence they contain can be used towards evaluate the concern's performance. Furthermore, financial rumors play a central role in seminal future business development, making the information they encompass essential to decision-making. Essentially, the material accessible in financial rumors must be of high quality and charge (Djamil, 2023). The value of financial gossips is vital for construction trust among shareholders. The accurateness and clearness of a bank's financial gossips determine its management efficiency and financial steadiness, thereby solidification stakeholder assurance in the foundation and its future diagnoses. International Financial Broadcasting Standards (IFRS) play a decisive role in the monetarist sector, only if a unified background for financial commentary. This framework qualifies stakeholders to compare the concert and financial position of changed institutions, which is vivacious for private series operating in a total market with shareholders as of multiple countries. Additionally, the principles-based landscape of IFRS is essential for sequestered banks. Unlike binding regulations, IFRS allows companies to exercise decision in preparing their monetarist speeches in relationship with their accountants and checkers. This discretion can lead to more useful and relevant financial information for stakeholders. In addition, the ability of IFRS to adapt to evolving market conditions is critical for private banks (Gardi et al. 2023). The adoption of IFRS is one of the most significant transformations in the accounting profession, particularly with the adoption of a new conceptual framework for financial reporting. The adoption of IFRS significantly impacts corporate financial reporting, even in countries where there are no fundamental differences between generally accepted accounting principles. Generally, GAAP and International Financial Reporting Standards (IFRS) are relevant. However, there is an opportunity to examine how this significant regulatory change impacts the quality of financial reporting (Aycan, 2025). The implementation of IFRS has a profound impact on accounting management systems and the quality of financial reporting, particularly in increasing the transparency, accuracy, and global comparability of financial information. While these standards can curb earnings management practices and enhance the reliability of financial reporting, the challenges of implementation, such as the need for

investment in technology and changes in accounting policies, remain obstacles for many companies. Therefore, companies need to align their accounting infrastructure with IFRS, integrate technology into their accounting management systems, and strengthen internal controls to maximize the benefits without compromising the quality of financial reporting (Fadhurrahman, R., & Fuadah, 2025).

The Practical Side

1.1: Description of the research communal, checklist, and foremost axes used: This paragraph includes a brief overview of the study sample, as the researcher selected (Al-Mansour Investment Bank began its operations in Iraq at the beginning of 2006 with a principal of 55 billion Iraqi dinars. Now, after successive increases, it has grasped 250 billion Iraqi dinars, in count to solid assets and rations. Al-Mansour Bank is a subsidiary of the Qatar Countrywide Bank Group, the largest financial establishment in the Intermediate East and Africa, with the Group owning a 54% stake. Al-Mansour Investment Bank stayed able, in a very short period, to complete clear and tangible improvement in practicing its finance happenings at the local and transnational levels, with the funding of its main partner, Qatar National Bank. Its funding services included compliant deposits of all types, compromise loans and advances, and foundational letters of credit). Letters of guarantee and local and transnational monetarist transfers.

1.2: Evolving the Specification: The agenda was developed constructed on three main axes consequential from the examination suppositions, as follows:

1. The effectiveness of IFRS 18 in enhancing disclosure.
2. The impact of IFRS 18 on the quality of financial reports. The scientific sources used in accounting literature, including Arabic and foreign research papers, theses, and dissertations that addressed the research variables, were consulted, as shown in Table (1).

Table No. (1) Sources used in construction the specification

	Checklist Topics	Number of paragraphs	Sources
1	Assessing the bank's ability to implement IFRS 18 requirements	8	Accounting literature on research variables
2	Effectiveness of IFRS 18 in enhancing accounting disclosure	8	
3	The impact of IFRS 18 on the quality of financial reports	8	

To diagnose the nature of the problem addressed in the research within its practical framework at Al-Mansour Investment Bank, a specific checklist with defined items and objectives was designed, consisting of (20) questions. These questions covered the research variables in their various dimensions and were administered to a sample of (10) senior and middle management members at Al-Mansour Investment Bank. For the statistical indicators used in the analysis, the prejudiced mathematics mean and the proportion of traditionalism were employed to govern the extent of the gap in the submission of the

examination variables. A seven-point Likert scale was secondhand to ensure grander flexibility and truthfulness in the data gained.

1.3 The criteria adopted in the checklist

The research, in evaluating the suitability of the requirements of International Financial Reporting Standard IFRS 18 in the banking sector and its impact on enhancing the quality of financial reports at Al Mansour Investment Bank, relied on the main criteria it included.

1.4: Presenting, analyzing, and interpreting the data in well-lit of the grades of the specification: The focus of the research is on presenting the results of the answers to the questions of the checklist, and analyzing the data in order to reach the results of the research, relying on a descriptive and analytical statistical method, through extracting frequencies, arithmetic means, and percentages, to determine the extent of the conformity of the sub-variables, and to measure the size of the gap between reality and expectations in the Baghdad Soft Drinks Company as the research sample. Data were collected using a seven-point checklist with seven levels: (not implemented and not documented), (partially implemented and not documented), (partially implemented and partially documented), (partially implemented and fully documented), (fully implemented and not documented), (fully implemented and partially documented), and (fully implemented and fully documented). Numerical weights were assigned to the seven levels: (0, 1, 2, 3, 4, 5, and 6). The following is an analysis of the checklist results, reflecting the degree of alignment between the current practices at Al-Mansour Investment Bank and the measured variables.

1. Table (2) Specification (IFRS 18) includes tough the major hypothesis: H1

Al-Mansour Investment Bank's ability to implement the requirements of International Financial Reporting Standard IFRS 18

The First Hypothesis H1: Al-Mansour Investment Bank's capability to implement the requirements of International Financial Reporting Standard IFRS 18

Table No. (2)

Checklist: The Bank's Capability to Implement the Requirements of IFRS 18

sequence	The first hypothesis H1	0	1	2	3	4	5	6
1.	The bank clearly defined the standardization of financial statement presentation in accordance with IFRS 18							X
2.	The bank defined requirements for clarifying financial statements to users (investors, creditors, etc.) in accordance with IFRS 18.							X
3.	The bank defined plans to address any potential issues arising from the application of IFRS 18 to financial statements.							X
4.	The bank clearly defined the potential for enhancing the comparability of financial statements across different periods in accordance with IFRS 18.							X
5.	The bank clearly defined its commitment to ensuring the disclosure of information related to risks and							X

	uncertainties surrounding the bank in the event of adopting IFRS 18.							
6.	The bank clearly defined its commitment to ensuring the disclosure of information related to risks and uncertainties surrounding the bank in the event of adopting IFRS 18.						X	
7.	The bank defined sufficient procedures to clarify its accounting policies and how they are applied in accordance with IFRS 18						X	
8.	The bank defined policies and procedures that would limit the misuse of IFRS 18 in earnings management.						X	
Weightiness		0	1	2	3	4	5	6
Replications		0	0	0	0	3	0	5
Score (Weightiness x Recurrences)		0	0	0	0	12	0	30
Weighted arithmetic mean (Score / Numeral of questions)		(42/6)= 5.875						
Percentage of Matching Range (Arithmetic Mean / 6) X %		0.98						
Gap Size (100 – Percentage)		0.02						

The Second Hypothesis H2: The effectiveness of International Financial Reporting Standard IFRS 18 in enhancing accounting disclosure.

Table No. (3)

The effectiveness of International Financial Reporting Standard IFRS 18 in enhancing accounting disclosure

sequence	The effectiveness of International Financial Reporting Standard (IFRS) 18 in promoting accounting disclosure	0	1	2	3	4	5	6
1.	The bank has identified requirements for improving the level of accounting disclosure in financial reports in accordance with IFRS 18.							X
2.	The bank specified the accounting disclosure requirements according to IFRS 18 in greater detail and clarity.							X
3.	The bank has defined accounting disclosure requirements in accordance with IFRS 18 for transactions with related parties.							X
4.	The bank has plans to improve the disclosure of its accounting policies to comply with IFRS 18.							
5.	The bank has plans to provide accurate financial information in accordance with IFRS 18.							X
6.	The bank has a strategy that will contribute to							X

	providing more transparent accounting information and expenses in accordance with IFRS 18.						
7.	The bank has a strategy to improve cash flow disclosures in accordance with IFRS 18.						X
8.	The bank has a standard strategy that provides additional information on the financial risks it faces during the adoption of IFRS 18.						X
Weight		1	1	2	3	4	5 6
Repetitions		0	0	0	0	0	0 8
Score (Weight x Repetitions)		0	0	0	0	0	0 48
Weighted arithmetic mean (Score / Number of questions)		(30/6)= 8					
Percentage of Matching Range (Arithmetic Mean / 6) X %		8/6= 1.33 %					
Gap Size (100 – Percentage)		%					

The Third Hypothesis H3: There is a strong correlation between the implementation of IFRS 18 requirements and the quality of financial reporting..

Table No. (5)

Checklist: The relationship between the quality of financial reporting and the adoption of IFRS 18

sequence	The third hypothesis H3	0	1	2	3	4	5	6
1.	There is a program for the bank to prepare consolidated income statements in accordance with IFRS 18 requirements, including continuing and discontinued activities.							X
2.	There is a program that the bank adheres to regarding the disclosure of management-defined performance metrics (MPMS) as outlined in IFRS 18.				X			
3.	There is a program for analyzing revenue and expense sources according to the requirements of applying IFRS 18 in financial statements.			X				
4.	There is a program to train the bank's accounting staff on the requirements of IFRS 18 to ensure proper implementation.							X
5.	There is a program designed to implement IFRS 18, the purpose of which is to improve the comparability between the bank's reports and the reports of other banks.							X
6.	The bank has a view that the financial reports prepared in accordance with IFRS 18 contain sufficient information to improve investor decisions.							X
7.	There is a program to address what technical or							X

	regulatory challenges a bank might face when adopting IFRS 18, and how these were dealt with.							
8.	There is a program to improve the quality of financial disclosure in periodic reports after the adoption of IFRS 18 compared to previous periods.						X	
Weightiness		0	1	2	3	4	5	6
Recurrences		0	0	1	1	0	0	6
Score (Weightiness x Recurrences)		0	0	2	3	0	0	36
Prejudiced arithmetic mean (Score / Number of questions)		41/8= 65.125						
Percentage of Matching Range (Arithmetic Mean / 6) X %		%85						
Gap Size (100 – Percentage)		15%						

1. Hypothesis Development

5.1 To accomplish the exploration objective, the succeeding two main hypotheses remained verbalized:

Hypothesis1: Al-Mansour Investment Bank's ability to implement the requirements of International Financial Reporting Standard IFRS 18.

Hypothesis 2: the second hypothesis H2: The effectiveness of International Financial Reporting Standard IFRS 18 in enhancing accounting disclosure.

Hypothesis 3: There is a strong correlation between the implementation of IFRS 18 requirements and the quality of financial reporting.

Methodology

1-Research Problem:

The research problem lies in the fact that the implementation process may face some challenges related to the Iraqi environment, such as technical and technological capacity, the efficiency of accounting staff, the financial implications of application, and the suitability of the regulatory framework in the local environment. These challenges may affect the ability of banks to prepare high-quality and more transparent financial reports, raising questions about the suitability of these requirements for the banking sector and the extent to which their actual application contributes to improving the quality of financial reports and enhancing user confidence. All of this necessitates evaluating the suitability of these requirements and their compatibility with the Iraqi environment and their impact on enhancing the quality of these reports in the banking sector. The research questions can be formulated as follows:

1. To what extent are the technical and technological capacity and the efficiency of accounting staff in Iraqi banks suitable for implementing International Financial Reporting Standard IFRS 18?
2. Does the implementation of International Financial Reporting Standard IFRS 18 lead to an improvement in the quality of financial reports??

6.2 Research objectives: The research seeks to achieve the following

3. Explanation of the concept and requirements of International Financial Reporting Standard (IFRS) 18
4. Explanation of the relationship between IFRS 18 and enhancing transparency in financial reporting
5. Assessment of the bank's ability to implement the requirements of IFRS 18.
6. 2-Importance of the research:
 7. 1. Analyze the contribution of IFRS 18 to enhancing transparency in financial reporting by providing clearer and more accurate information
 8. Evaluate the extent to which IFRS 18 contributes to improving the quality of disclosure by providing detailed and comprehensive information.
 9. Analyze the impact of IFRS 18 on the quality of financial reporting in terms of the accuracy and reliability of the information provided.

Discussions and Conclusions

Discussions

The outcomes of the statistical investigation showed strong sustenance for the education variables, with IFRS 18 necessities being encountered at a rate of 98%. This completely squeezed the quality of financial hearsays by 85%, thus confirming the three suggestions of a strong relationship that enhances photograph and comparability in the Iraqi funding sector.

Conclusions

The homework clinched that approving the standard fetches about a qualitative modification in the appearance of financial announcements and the reclassification of revenue substances (operating, investing, and financing), thus reducing management and snowballing reliability. It suggested that private groups expedite the expansion of conversion strategies, exaggerate training, and develop the scope of discovery under the administration of regulatory physiques to ensure optimal employment and support investment conclusions.

References

- Abdullah, Z. T., & Ibrahim, M. A. (2024). The Effect of the Adoption of International Financial Reporting Standards (IFRS) on the Asymmetry of Accounting Information. *Journal of Economics and Administrative Sciences*, 30(142), 592-604.
- Al Baaj, Q. M. A., & Obaid, N. M. (2024). The Role of Disclosure of Operational Sectors on The Transparency of Financial Performance and Its Reflection on Banking Performance: An Applied Study.
- Almansour, M. S. (2019). Challenges and opportunities from adopting IFRS in Saudi Arabia: the case of the banking sector. Nottingham Trent University (United Kingdom).
- Assad, H. N. B. (2025). The Impact of IFRS 9 Adoption on Financial Reporting Quality of the Palestinian Banking Sector: The Moderating Role of Audit Committee Attributes

- (Doctoral dissertation, AAUP).Algburi, M. H. (2021). Evaluation of al-Mansour Hotel'performance under the International Financial Reporting Standard 8: A Practical Study. *Baghdad College of Economic Sciences University Journal (BCESUJ)*, 66(10), 355-369.
- Aycan, B. A. (2025). The Impact of IFRS Adoption on Financial Reporting Quality. *Adoption, Impact, and Challenges of International Financial Reporting Standards*, 55.
- Corrêa, A.A, Dantas, J.A., & Minervino, V.D.M. (2024) Effects of IFRS 18 on Income Statements of Brazilian Non-Financial Institutions. *Journal of Business and Management*, 26(10), 42-47
- Czajor, P. (2024). IFRS 18: Advancing the relevance and utility of financial statements for stakeholders. *European Research Studies Journal*, 27(2), 265-275.
- De Castro Neves, H. (2024). IFRS 18 implementation in Brazilian enterprises: Challenges and opportunities. *International Journal of*
- Djamil, N. (2023). Factors affecting the Quality of Financial Reports: A Value Relevance Based Analysis. *Jurnal Rumpun Ilmu Ekonomi*, 1(1), 1-11.
- El Khatib, A. S. (2025). IFRS 18–Apresentação e divulgação das demonstrações contábeis: uma solução para a ausência de comparabilidade ou um grande problema?. *Revista de Direito Contábil Fiscal*, 7(13), 75-95.
- Elsayed Mohamed Abdullah, & Iman. (2024). The Impact of Financial Statement Reclassification on the Theoretical Basis of Accounting in Light of IFRS 18: An Empirical Study on Egyptian Companies. *Journal of Accounting Studies*, 6(4), 634-674.
- Fadhlurrahman, R., & Fuadah, L. L. (2025). Implementation Of International Financial Reporting Standards (Ifrs) In Management Accounting System On The Quality Of Financial Reports (slr approach). *Jurnal Manajemen Perbankan Keuangan Nitro*, 1(2), 18-28.
- Gardi, B., Aga, M., & Abdullah, N. N. (2023). Corporate governance and financial reporting quality: The Mediation Role of IFRS. *Sustainability*, 15(13), 9869.
- GHANEM, H. (2024). THE IMPACT OF IMPLEMENTING IFRS13 (FAIR VALUE) ON FINANCIAL PERFORMANCE IN THE BANKING SECTOR.
- Hassan, B. K., & Ibrahim, S. A. (2023). The impact of financial information quality on investment decisions: An applied study of private banks listed on the Iraqi Stock Exchange. *Journal of Kurdistan for Strategic Studies*,(12), 201-218.
- Hisham Zakaria Mohamed. (2025). The Impact of Applying IFRS 18 on Improving the Quality of Financial Reports in the Egyptian Banking Sector (An Empirical Study). *Journal of Accounting Research*, 12(3), 492-538.
- Jihan Wahid. (2024). The Impact of Applying International Financial Reporting Standard No. 18 on Improving the Quality of Accounting Disclosure of Exchange Rate Changes within the Items of the Statement of Comprehensive Income. *Journal of Accounting Research*, 11(4), 117-168.

- Jumah, Ali Ahmed Ali Jumaa. (2025). Evaluating the New Requirements of International Financial Reporting Standard IFRS 18. *Journal of Financial and Commercial Research*, 26(3), 275-297.
- Lee, S. H. (2024). Establishment of IFRS 18 Presentation and Disclosure in Financial Statements: its Impact and Implications. *Capital Market Focus: Korean Capital Market Institute*. Erişim Adresi: https://www.kcmi.re.kr/kcmifile/webzine_content/OPINION/6305/webzinepdf_6305.pdf.
- Mahmoud Sharaf, Shaimaa Fouad Sharaf. (2024). The Role of International Financial Reporting Standard No. 18 (IFRS 18) in Improving Transparency, Accounting Disclosure, and the Quality of Financial Reports: An Empirical Study. *Scientific Journal of Commercial Research and Studies*, 38(3), 931-994.
- Rasheed, H. S. (2025). The Interaction Between Macroeconomic Factors and International Financial Reporting Standards (IFRS) Disclosure Levels in Determining Credit Ratings in Iraq Banking Sector. *IJARAA: International Journal of Integrated Accounting*, 2(1), 156-175.
- Salotti, B. M. (2024). IFRS 18—a nova norma de apresentação das demonstrações financeiras: principais mudanças, implicações práticas e oportunidades de pesquisa. *Revista de Educação e Pesquisa em Contabilidade (REPeC)*, 18(3).
- Svafarsson, K. I. (2025) *Úr IAS 1 í IFRS 18: Framsetning reikningsskila* (Doctoral dissertation).
- Tulokas, T. (2025). IFRS 18: Enhancing Transparency and Comparability of Financial Statements.
- Yusran, I. N. (2023). Determinants of the quality of financial reports. *International Journal of Professional Business Review: Int. J. Prof. Bus. Rev.*, 8(3), 11.