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Full Length Research Paper

Effect of Disclosure and Financial Reporting on the Reliability of Final Accounts in the Public Sector in Jordan: Empirical Study

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This study aimed to test the effect of disclosure and financial reporting on the reliability of the final accounts in public sector departments in Jordan, specifically the Public Financial Management sector as the concerned authority in the preparation of final accounts. This sector includes the Ministry of Finance and all its 6 general administrative departments, which are (General Budget Department, General Supplies Department, Income and Sales Tax Department, Land and Survey Department, General Customs Department) to which the provisions of the Government Financial Regulation No. 3 of 1994 and its amendments apply; their budget is included in the State Budget Law No. 2 of 2017. To achieve the objectives of this study, a questionnaire was designed and distributed to the financial managers, heads of audit departments, auditors and financial observers within the study community. (147) questionnaires were distributed to the sample members; the number of questionnaires retrieved and approved for analysis was (108), almost (73.5%). The statistical program for social sciences (SPSS) was used represented in the descriptive statistics, the test of credibility degree (alpha) and the test of multiple regression to describe the study variables and test its hypotheses. The study concluded that there is a positive effect of disclosure on the reliability of final accounts to a medium degree. It also found a positive impact of financial reporting on the reliability of the final accounts to a high degree. In the light of these findings, the researchers recommended several recommendations regarding the concepts of disclosure and financial reporting that would help the public sector departments to avail them in enhancing the reliability of the final accounts.

Keywords: financial disclosure, financial reporting, reliability, final accounts, public sector services.

INTRODUCTION

The data and financial information presented in the final accounts are among the most important legal requirements required by the various parties involved in order to carry out the analysis necessary for decision-making and evaluation of the public sector departments' performance. Many professional organizations have issued drafts and reports that govern the process of disclosure and financial reporting as well as the conditions required in the final accounts from the various information and data that are transparent and reliable showing the financial position and performance of the public sector departments used by the various parties involved. (Matar and al-sweiti, 2012), (Al-shammari, 2003), (Al-armouty, 2013).

The current era has witnessed many financial and economic developments that have affected the public and private sectors, which led many governments to make financial decisions to adopt financial concepts and procedures that lead to enhancing confidence in the final accounts between the public sectors and others related to these accounts. Thus, (IFAC, 2000) came through the Public Sector Committee giving standards for the preparation of final accounts that help to disclose and report information and data in these accounts so that they are more transparent and highly valued by the different parties inside and outside the community. The professional associations and organizations in the world have helped to disseminate these standards to be adopted by many governments of states. Therefore, this study is intended to demonstrate the impact of disclosure and financial reporting on the reliability of final accounts in the public sector in Jordan.

Study problem

Current measures by the public sector in Jordan have helped to provide a weak economic environment. Because of this, many international and regional organizations and bodies have urged the creation of an effective role for the different parties within the community in determining the fate of the public sectors in the country in terms of their performance of the tasks and duties assigned to them. This led to the adoption of procedures for disclosure and financial reporting in the final accounts commensurate with the volume of tasks and objectives to be achieved by the public sector departments at the current stage that would help provide information that is transparent, credible and useful in conducting various analyzes and performance evaluation by the different parties in the community. Therefore, this study came to answer the following questions: 1- Is there any effect for disclosure on the reliability of the final accounts in the public sector departments in Jordan. 2- Is there an impact for the financial reporting on the

reliability of the final accounts in the public sector departments in Jordan.

Importance of the study

The importance of this study comes from addressing the issue of disclosure and financial reporting and its impact on the reliability of data and information contained in the final accounts in the public sector departments in Jordan, which helps many parties within the community in the accountability procedures and performance assessment of these sectors in an environment characterized by challenges and rapid changes. This is in addition to contributing to the formulation of modern objectives of the government accounting system that would help improve the foundations and procedures of disclosure and financial reporting on the performance of a significant sector of the Jordanian economy, which is the public sector, specifically the public financial management sector.

Objectives of the study

This study aims to achieve a set of objectives, the most important of which are:

- 1- Identification of the financial disclosure and reporting in terms of its concept, benefits and requirements and presenting it to the decision makers in the public sector in Jordan in order to provide them with an opportunity to know the extent to which they can avail it in increasing the reliability of the final accounts of these departments.
- 2- Activating the role of modern requirements in accounting policies and procedures in the public sector in line with the continuous change policy in the business environment. Therefore, this study sought to highlight disclosure and financial reporting in the public sector in Jordan and its impact on the reliability of its final accounts.

Theoretical framework and previous studies

The public sector departments in Jordan defined by Article 2 of the Public Sector Development and Government Performance Monitoring System No. 2 of 2005 as the "Ministries, Government Departments and Public Institutions" where disclosure and financial reporting in these departments require the skills and efforts of specialists in the government accounting field in relation to the financial and non-financial aspects of the final accounts with the aim to provide information and data with high reliability in the public sector for

expenditures and public revenues in order to preserve their resources.

The Arab Society of Arab Accountants (ASCA) confirmed the necessity of applying the international accounting standards to the public sector in Jordan and commitment of the successive governments to prepare the annual public budgets and final statements of the state as determined by the International Accounting Standards of the Public Sector. Actually, the application of international accounting standards to the public sector in Jordan is considered one of the most important issues in the economic reform. It is now an urgent necessity after the Society issued in 2001 the Arabic version of the International Accounting Standards of the Public Sector, which has been adopted in 107 countries around the world. (Abo ghazalah.(2001), "<http://www.ammonnews.net/article.aspx?articleno=101286>")

Disclosure and financial reporting can be seen as a mechanism which administrations are obliged to follow to present accounting information, financial, non-financial, on performance in a clear, objective, and unbiased manner in order to increase confidence in it by users of different trends. This is to achieve its regulatory objectives to optimize the use of resources according to the laws and to achieve transparency and disclosure in a timely manner through the accounting methods and procedures used in the public sector and the statement of consequential contingent liabilities as well as the important events that follow the date of preparation of the final accounts and the changes in accounting estimates to enable users of these accounts to understand its nature, timing and amount. (Al - Zyoud, etal,2007,p:201), Hammad, 2005,p:7),(khalaf, 2009,p:9),(dahmash, and Abu zer, 2004p:23),(Al-eker, 2010),(al-hijjawi,2004,p:152).

The required and desired disclosure is that level achieved for the multiple interests of the various parties involved; it is represented in the ideal and available level. This requires removing the differences between management and decision makers in understanding the types of information available under different alternatives of the accounting measurement systems, which depend on the different cultural and accounting level and the scientific and practical capabilities in processing and using the information. This requires financial stability and the application of governance principles (IFM,2007), and (hijjawi,2004,p:154) sees the need to take into account every possible relationship of the parties concerned to give attention to the essence of that relationship and not just its legal form.

Accounting came in light of the accelerating numbers of financial and non-financial information and data on the financial units in the different sectors where there is a growing interest in the quality of this information and data and the ability of beneficiaries to use it efficiently and effectively. Financial reporting has been given importance

for a long time in providing financial and non-financial information and data not by preparing financial statements by economic units, but by using various methods of disclosure and reporting, including: analyzes, attached disclosures, economic statistics, etc. (Belkaoui, 2000,p:35) and (FASB,concept,no.5)

Financial reporting is also a means of communicating financial and non-financial information and data directly and indirectly about the accounting system, its outputs, resources of economic units and claims as well as the effects of transactions, events and circumstances affecting those resources and claims. In turn, they are important to keep pace with the continuous development and change in the needs and concerns of users and beneficiaries of the data and information of the final accounts (abd eljaleel,2013,p:253) identified as accounts that include the cash position statement, income and expenditure statement, the change in the balance of funds and the cash flow statement at the end of the financial period.

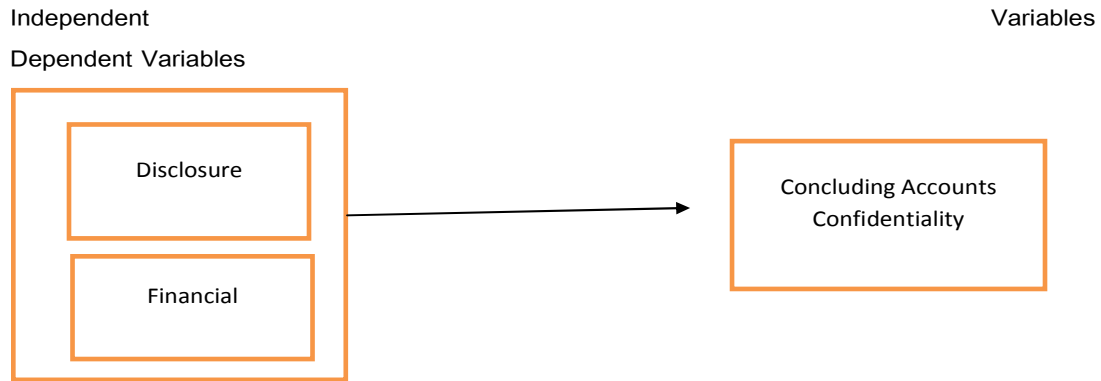
Currently, there are a number of criticisms on the financial reporting and disclosure that weakened its credibility by the beneficiaries, especially in relation to the public sector, which can be summed up as follows:

- 1- What is associated with obligation to apply generally accepted accounting principles
- 2- What is associated with historical information related to past events and its failure to extend to future events
- 3- What is associated with the objectives and needs of the relevant beneficiaries
- 4- Limited information and failure of the financial statements to include the performance evaluation levels

All this led to the weak evidence for supervision, auditing and verification, as well as the absence of information about the variables whose financial effects cannot be measured. This is in addition to the instability of information on monetary operations due to the instability of exchange rates under conditions of inflation and weak purchasing power. (Al-Shirazi, 2000),(Kieso, etal,2013,pp:4-5),(Al-shammari, 2003p:32),(Hannan,2013,p:120) .

1. Therefore, many accounting and professional committees and organizations in various countries of the world have been pressed to define conditions, specifications and standards for disclosure and financial reporting in all business sectors in general and in public sector departments in particular when preparing the final accounts to include: financial and non-financial information, management analyzes, forecast and future information on plans and risks, details of management and strategies. (AICPA,2001,WWW, FASB.ORG).

It is clear that there are a range of environmental factors for any country that affect the quality and mechanism of disclosure, financial reporting and the associated reliability of the financial and non-financial information and data contained in the financial reports.



Some determine these factors in relation to the nature of the economic, political, tax and legal system and those responsible of organizing accounting in these countries. However, several factors have a direct impact on the decisions of users of such information, as defined by (Al-shammari, 2003, p:44) as follows:

- 1- Economic factors: represented in the type of economy surrounding the business environment, the stage of economic development, the pattern of economic growth and the development degree of capital markets and inflation.
- 2- Social factors: represented in the social climate prevailing in the country, the cultural pattern and the general levels of education.
- 3- The political, legal and tax system in the country
- 4- Nature of the accounting work: represented in the nature of the accounting system, the status of education and research, the existence of special legislation and theoretical construction.
- 5- Business facilities: represented in the nature of the property, the size and nature of the activity, nature of the funding sources and the speed of innovation. From the foregoing, researchers conclude that disclosure and financial reporting produce information that is included in decision making and reflects their ability to influence the way in which economic and supervisory decisions are made as well as follow-up, performance appraisal and others. These decisions are influenced by economic, legal, political and social variables, which vary according to place and time.

(IFAC) has determined in a study it performed in (2000) AD the objectives of reporting and financial disclose in the public sector departments. This has represented the possibility of interrogations with the public sector's departments about the sources of water entitled and specified to them in the state budget. This would be through the indication either the public sector's departments have obtained and used them according to the budget set to them legally, providing information about the financial position of the sector and the changes that happened therein, in addition to information that contribute to evaluating the performance in the public

sector. (Al-shammari, 2003,p:55)) and (IFAC-SPC,2000,p:13)

Considerably, it is important to indicate that this study is more distinctive than previous studies because it is a field study applied on the departments of the public sector in Jordan, specifically in the Public Financial Management Sector, because it researches in the effect of disclosure and financial reporting on the concluding accounts confidentiality in this sector. This has not all discussed in any on the previous studies. There is also a difference in the legal, financial and economic environment in which the previous studies have been performed compared to the community environment of this study, its sample and methodology, which include the Ministry of Finance and all its related departments which are represented in the Public Financial Management Sector in Jordan, and which work as per the provisions of the governmental financial system, and whose budgets are indulged in the general budget of the state number (2) of (2017).

METHODOLOGY OF THE STUDY

Study Sample

The study sample includes according to shape number (1) hereinafter set of independent variables that are represented in disclosure and financial reporting. These variables are expected to have an effect on the confidentiality of the concluding accounts in the Public Financial Management Sector in Jordan.

For achieving the objectives of this study and to answer its questions, some assumptions have been supposed for the study as follow:

HO1: There is no affect with a statistical indication for disclosure on the confidentiality of the concluding accounts in the departments of the public sectors in Jordan.

Ho2: There is no effect with a statistical indication for financial reporting on the confidentiality of the concluding accounts in the departments of the public sectors in Jordan.

Table 1. Results of (Cronbach Alpha) Test for the Study's Variables

Number	Variables	Correlation Coefficient	Alpha Value
1	Disclosure	0.796	0.000
2	Financial Reporting	0.821	0.000
3	Confidentiality of the Concluding Accounts	0.772	0.000

Table 2. Analyzing the demographic characteristics of the study sample individuals

Number	Variable	Degree	Number	Percentage
1	Scientific Qualification	Less than bachelor degree	0	%0
		Bachelor degree	86	79.63%
		Master's degree	15	13.89%
		Doctorate	7	6.48%
		Total	108	100%
2	Scientific Specialization	Accounting	62	57.40%
		Business Administration	10	9.26%
		Financial Administration	22	%20.37
		Banking and Financial Sciences	6	5.56%
		Others	8	7.41%
		Total	108	100%
3	Job Description	Financial Manager	4	3.70%
		Chief of Auditing Department	10	9.26%
		Auditor	52	48.15%
		Financial Controller	42	38.89%
		Total	108	100%
4	Practical Experience	Less than five years	6	5.56%
		From five years and less than 10 years	12	11.11%
		From 10 years and less than 15 years	26	24.07%
		15 years and more	64	59.26%
		Total	108	100%

Methods of Data Collection

Researchers in this study has used the descriptive, field and analytical methodology as they got the data of the study through two sources that are:

First: Secondary Sources: through backing to the researches and studies published in the scientific journals and magazines and the internet, in addition to the state laws and regulations relevant to the subject of the study and issued by the concerned authorities.

Second: Primary Resources: A questionnaire paper has been made and distributed as a tool of data collection based on the theoretical framework and previous studies to cover the field side of the study.

Study Tool:

The Questionnaire paper has included set of questions that are suitable for the objectives of the study and its problem and assumptions. The questionnaire has included an introduction and two main parts that are:

First Part: the general information about the characteristics of the study sample according to the

following demographic variables:

(Scientific Qualification, Scientific Specialization, Job Description and Practical experience) that would be measured through questions, which has numbers of (1-4) in the questionnaire.

Second Part: This includes the questions related to the subject of the study for measuring the effect of disclosure and financial reporting on the confidentiality of the concluding accounts in the departments of the public sector in Jordan. To test the assumptions of the study, this part has been divided into two parts; the first: includes the measurement of the independent variable effect on the dependent variable, that is represented in disclosure for the confidentiality of the concluding accounts that would be measured through question with numbers (5 – 14) in the questionnaire. The second: includes questions with numbers (15 – 22) in the questionnaire and therein the effect of the dependent variable effect on the independent variable shall be measured that is represented in the financial reporting effect on the confidentiality of the concluding accounts. To guarantee the adaptability of the study tool for measuring its original objective it has been converted to

Table 3. Arithmetical averages, standard deviations for the questionnaire questions related to measuring the effect of disclosure on the confidentiality of the concluding accounts in the departments of the public sector in Jordan.

Number	Paragraph Content	Arithmetical Average	Deviation Standard	Relative Importance (100%)
5	Disclosure shows the financial information in an easy and understandable way	4.21	0.53	84.2
6	Disclosure Shows the real financial position of the general departments	3.87	0.59	77.4
7	Disclosure determines the resources and the obligations of general departments and changes happened to them	4.17	0.81	83.4
8	Disclosures contributes to showing the geographic distribution of expenditure and this helps in interrogation included in the specified objectives	4.05	0.94	81.0
9	Disclosure helps the users of the concluding accounts in making wise decisions	3.85	0.87	77.0
10	Disclosure shows the way through which general departments get the money needed and the way of spending it.	3.32	0.74	66.4
11	Disclosure helps in analyzing revenues and expenses, besides the determination of their spending, therefore the confidentiality of the concluding accounts would be increased.	4.13	0.95	82.6
12	Disclosure helps in achieving achievement and advancement in the type of the presented services.	3.91	0.67	78.2
13	Disclosure helps in evaluating the performance regarding the availability of the systemic, legal and contractual requirements in actions	4.01	0.76	80.2
14	Disclosure contributes to put future expected goals	3.28	0.70	65.6
5 - 14	Average total	3.88	0.79	77.6

quantitative data as per Likert Scale with its five degrees (strongly agree, agree, fair, disagree, strongly disagree) and this is presented numerically (1, 2, 3, 4, 5) respectively. This scale would depend on testing the assumptions, whereas the effect would be acceptable when the average is equal to (3) or more according to the following standard:

-The arithmetic average of 1 - less than 3 - has a low effect.

-The arithmetic average of 3 - less than 4 - has an average effect.

- The arithmetic average of 4 - (5) has a high effect.

The Confidentiality and Stability of the Study

The questionnaire has been shown to many colleagues in the teaching staff in the department of accounting in the Jordanian universities to review it. This is for the purposes of development and evaluation, where as their directives have been regarded to make the questionnaire most precise and objective. Therefore, there is a possibility for depending on the results of the study and feeling comfortable towards its confidentiality in achieving the objectives of the study. Moreover, the Stability coefficient (Cronbach Alpha) has been extracted for all the variables in the study, whereas the results of this test indicates that all the paragraphs of variables has

obtained values more than (60%) and this is the minimum agreed level for dependability (sekaran and bougi,2010) and table number below shows that following:

Through the previous results, it could be said that all the paragraphs of the study variables have a new value for stability for the purposes of statistical analysis of the data of this study and testing its assumptions.

Study Community and Sample

Study community consists of the departments of the public sector in Jordan, specifically in the department of the Public Financial Management Sector regarded as the concerned party of preparing the concluding accounts; this sector includes the Ministry of Finance, all the administrative departments related to it whose number is (6) departments which are (General Budget Department, General Supplies Department, Income & Sales Tax Department, Department of Land and Survey, and Jordan Customs) These authorities work under the provisions of the governmental financial system number (3) of 1994 and its adjustments. The budget of these authorities also is indulged in public budget of the state number (2) of (2017), hence the sample of the study has included a study sample of financial managers, heads of the auditing departments, auditors, financial controllers included in the community study whose number is (147) employees on

Table 4. the Test of the First Assumption

B	Standard Mistake	T	Sig*	R	R2	F	Sig F*	Result
0.420	0.170	2.470	0.000	0.810	0.675	45.495	0.000	Refused

Table 5. Mathematical averages and numeral variances for the questionnaire about measuring the effect of financial reporting on the trustiness of final accounts reports in general sector entities in Jordan

N.	Content	Mathematical Average	Numeral Variance	Relative Importance 100%
15	Financial reporting shows important events following the date of preparing the final accounts	4.18	0.80	83.6
16	Financial reporting shows the emergency obligations in general sector's entities.	4.06	0.96	80.2
17	Financial reporting contributes in the best usage of resources according to laws and to achieve transparency in general sector entities	3.74	0.68	74.8
18	Financial reporting contributes in defining the reasons behind variances to avoid in the future.	4.24	0.93	84.8
19	Financial reporting contributes in evaluating the need to public money	4.11	0.74	82.2
20	Financial reporting contributes in defining the sources to obtain public money	4.09	0.77	81.8
21	Financial reporting helps in planning and budget forming depending on the information it offers	4.03	0.83	80.6
22	Financial reporting shows the financial and non-financial information about performance clearly and without prejudice	4.27	0.69	85.4
4-15	Total Average	4.09	0.91	81.8

which the questionnaires have been distributed. The returned questionnaires used for accrediting the analysis was (108) questionnaire from the original distributed questionnaires and this is equal to the percentage (73.5%) approximately; therefore this percentage is good statistically for the purposes of this study.

METHODS OF DATA ANALYSIS

For answering on the questions of the study and for testing its assumptions, Statistical Package for Social Sciences (SPSS) has been used for performing the processes of statistical analysis to reach to the state of stability or for refusing these assumptions of this study at a certain level (0.05) and a confidence grade of (95%) using the following statistical methods:

(Descriptive Statistic Measures) Such as: arithmetic averages, frequencies, percentages, and standard deviation. (Multiple regression analysis) test to demonstrate or disprove study assumptions, and (Reliability Analysis Alpha) test to measure the reliability and dependability of the study tool.

Analysis of the Questionnaire and Assumptions Test Answers

The questionnaire that has been designed for serving the objectives of this study and testing its assumptions has included two parts. The first part is a descriptive review of the results of the study sample regarding the questions of the questionnaire related to the personal characteristics for the sample individuals. The second part shows an

Table 6. Testing the Second Theory

B	Standard error	T	Sig*	R	R ₂	F	Sig F*	Result
0.563	0.219	2.570	0.000	0.862	0.721	48.669	0.000	reject

analysis of the data and the assumptions test.

First Part: the Demographic Description of the Study Sample

The first part of the study was specified for the analysis of the study sample distribution as per the personal and demographic traits; the results are as shown in table below.

We observe for the table number (2) above that the individuals of the sample are scientifically qualified for answering the paragraphs of the questionnaire as the ratio of the persons who bear a bachelor degree is (79.63%), after that comes the bearers of master's degree whose percentage was (13.89%), after them comes to the bearers of the doctorate degree with a percentage of (6.48%), and finally the percentage of the bearers of a scientific degree less than bachelor's degree was (0%).

Regarding the variable of scientific specialization, we find that most of the sample individuals have scientific certificates in the specializations of accounting (57.40%), financial administration (20.37%), business administration (9.26%) and finally the financial manager (3.70%).

Regarding the variable of scientific experience, the highest rate was for (15 years and more) whose ratio was (59.26%), it was followed by the category of (10 years and less than 15 years) whose percentage was (24.07%), it was followed by the category of (5 years and less than 10 years) whose percentage was (11.11%) and the category of (less than 5 years) had the least percentage with (5.56%) of the study sample. Depending on the aforesaid, researchers extract from the results of analyzing the demographic characteristics that the individuals of the study sample with their various job descriptions have the suitable scientific qualification and practical experience and this leads to the possibility of generalizing them on the study results.

Second Part: Testing the Assumptions of the Study

First: The First Assumption: For testing this assumption, arithmetical averages, standard deviations and relative importance for the questions that measure the effect of disclosure on the confidentiality of the concluding accounts in the departments of the public sector in Jordan have been extracted. Table below shows this:

The data of table (3) hereinbefore shows that the directions of the study sample about the effect of disclosure in the confidentiality of the concluding accounts in the departments of the public sectors in Jordan have been with a grade of (high and fair). Question number (5) "Disclosure shows the financial information in an easy and understandable way" has obtained the first rank with an arithmetical average of (4.21) and with a high importance degree of (84.2). Question number (14) "Disclosure contributes to putting future expected goals" has come in the last rank with an arithmetical average of (3.28) and with an importance degree of (65.6%). It is observed that the general arithmetical average of the answers to the questions sample individuals has been (3.88) with a standard deviation of (0.79) and this is an arithmetical average that shows the views of the sample study individuals generally with an average degree.

First Assumption Test:

The first assumption (Ho1) has contained "there is no effect with a statistical indication of the effect of disclosure on the confidentiality of the concluding discounts in the departments of the public sector in Jordan:

The first assumption test aims at using Multiple Regression Test whose results were:

The results of the first assumption (Ho1) test in the table number (4) above shows that there is an effect of disclosure on the confidentiality of the concluding accounts as it has reached the value of (F) accounted (45.495) with an indication level of (Sig) = (0.000). While the value of (R₂) was (0.675). This shows that disclosure reaches a percentage of (67.5%) in the differentiation of the concluding accounts. The value of the deviation standard (B) was (0.420) with a value of (T) accounted as (2.470) and with an indication level of (Sig) equal to (0.000) which refers to the abstract effect. Thus, we reject the first negative theory, and accept the alternative theory, which states: "There is an effect to disclosing final accounts in general sector entities in Jordan".

The results of this study agreed with the following studies: (Al-Zieod et al, 2007), (Al-Hejawi, 2004), (Al-Akr, 2010), (Dahmash, 2004), (Khalaf, 2009) and (Hanan, 2013), which all indicated the presence of a positive effect to disclosing the final accounts of performance in a clear, trusted and unbiased form. Leading to the increase of trust of various customers.

Second: The Second Theory:

In order to test this theory, the mathematical averages, numeral variances and the relative importance of answers to the questions measuring the effect of financial reporting on the trustiness of final accounts reports in general sector entities in Jordan. Explained in Table below:

The data in Table (5) indicates that the directions of the study specimen about the effect of the financial reporting on the trustiness of final accounts reports in general sector entities in Jordan came as (medium, high), where question No. (22) "Financial reporting shows the financial and non-financial information about performance clearly and without prejudice" the first stage with average of (4.27) and importance degree of (85.4%). Question No. (17) "Financial reporting contributes in the best usage of resources according to laws and to achieve transparency in general sector entities" came in the last stage with average of (3.74) and medium importance of (74.8%). We notice that the general average of the specimen members for all questions had reached (4.09) and variance degree of (0.91) which shows the point of view of the specimen members highly in general.

Testing the Second Theory:

The Second Theory (Ho2) states: "There is no statistical effect for financial reporting on the trustiness of final accounts reports in general sector entities in Jordan"

In order to test this second theory we used the multiple regression test, which produced the following results:

The results of the second theory (Ho2) testing in Table (6) shows an effect of financial reporting on the trustiness of final accounts where (F) reached the value of (48.669) and sign level (sig) = (0.000). In addition to defining factor (R_2) = (0.721), which indicates that financial reporting explains (72.1%) of variances in final accounts credibility. The value of regression rate (B) was (0.563) and (T) = (2.570) with (Sig) = (0.000), which indicates the presence of the abstract effect. Thus, we reject the first negative theory, and accept the alternative theory, which states: "There is an effect to disclosing final accounts in general sector entities in Jordan".

The results of this study agreed with the following studies: (IFAC, 2000), (Al-Shamari, 2000), (AICPA, 2001), (Abdul-Jalil, 2013), and (Belkawi, 2000), which all indicated the presence of a positive effect to disclosing the financial reporting in offering financial and non-financial reporting through various methods of reporting such as (analysis, attached disclosures, economic statistics... etc.) Thus, financial reporting shows that it is possible to question the entities of the general sector about any breaches. However, this study differed from the studies of: (Al-Shamari, 2003), (Al-Shirazy, 2000), (Hanan, 2013) and (Kieso et al, 2001), which indicated

the presence of criticism to financial reporting which weakens its credibility.

RESULTS AND RECOMMENDATIONS

After performing the necessary and appropriate analytical statistics, the results can be summarized as follows:

First: The results indicated that the answers of the specimen members for all questions from (5-14) were positive, where the general mathematical average (3.88) and variance degree of (0.79). This is bigger than the mathematical average of the measuring tool and this shows the presence of the effect of disclosure on final accounts credibility in general sector entities with a medium degree shown in Table (3)

Second: The results indicated that the answers of the specimen members for all questions from (15-22) were positive, where the general mathematical average had reached (4.09) and variance degree of (0.79). Which is bigger than the mathematical average of the measuring tool and this shows the presence of the effect of disclosure on final accounts credibility in general sector entities with a medium degree shown in Table (5).

Third: The results of the demographic characteristics analysis of the specimen members indicated that all of them with their various job titles are qualified and specialized financially, administratively, and have high work experience, which is clear in Table (2).

RECOMMENDATIONS

In light of the study results, the researchers recommend the following:

First: That the General Sector entities shall care for the importance of the concepts of financial reporting and disclosure, in order to utilize them in enhancing the credibility of final accounts in these entities.

Second: The importance of final accounts credibility in general sector entities by reforming the financial laws and regulations to adapt with financial reporting and disclosure.

Third: the necessity of performing more studies about financial reporting and disclosure and their effect on the credibility of final accounts in other government sectors aside from the general financial sector, which was the subject of this study.

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