

Corporate Governance and Its Impact on the Quality of Accounting Information in the Industrial Community Shareholding Companies Listed in Amman Financial Market- Jordan

Dr. Fares Jamil Al_Sufy

Assistant Professor

Al-Isra University

College of Business Administration and Finance

Accounting Department

Amman, Jordan

DR. Haitham Idrees Mohamad Almbaideen

Assistant Professor

Al-Isra University

College of Business Administration and Finance

Accounting Department

Amman, Jordan

Dr. Haitham Mamdouh Al_abbadi

Associate Professor

Amman Arab University

College of Business Administration and Finance

Accounting Department

Amman- Jordan

Mohammed Hassan Makhoulf

Teacher

Al-Isra University

College of Business Administration and Finance

Accounting Department

Amman, Jordan

Abstract

This Study examined the impact of governance on the quality of Accounting Information, a field study on industrial firms listed in Amman Financial Market. Where they were addressed to the concept of governance and the statement of it's importance, it's objectives, principles and the role of corporate governance in Jordan, and the impact of quality of financial reports to the principles of corporate governance has been used of the two researchers descriptive analytical method in the study by collecting data from sources of primary and secondary, where data was collected through a questionnaire specially prepared for this reason, were disseminated to the study population numbering 50 industrial companies, have been using the Statistical Package for the Social Sciences (SPSS) in analyzing the data and testing the suggestion hypotheses. Which was reached to several results, including the existence fully aware of the designers and users of financial statements of the concept of corporate governance, and the foundations of application in contributing to the Jordanian industrial companies listed in Amman Financial Market. Also found that there is effective implementation of the principles of corporate governance affect the quality of financial reporting, makes it more accurate and quality in a community study. Furthermore, found that there should be fully aware of the designers and users of financial statements of the concept of corporate governance and the foundations of their application in industrial companies listed on valuable Amman Financial Market. Besides that the study recommended that there will be effective implementation of the principles of corporate governance affected the quality of financial reporting and makes it more precise and worth.

Chapter I: General Framework of Research And Previous Studies

The first topic:

The general framework of research

Introduction:

Recently, the growing interests in the concept of corporate governance in several highly developed economies and emerging, especially after the entry of many countries in the membership of the World Trade Organization and European conventions and enter into agreements free trade with many countries. These create a large amount of competition among companies at the local and global in terms of marketing and services, the ability to obtain funding sources.

As the global investment in emerging markets is going through a phase of growing, this makes it necessary for companies to follow established policies and govern their work as principles of corporate governance.

Regarding to this issue the study deal with many economists, analysts and experts to the importance and the impact of the concept of corporate governance in many respects the economic, legal and social efforts to the benefit of individuals, institutions and societies as a whole, including working to achieve comprehensive development in both developed and developing countries.

Globally, there is no standard definition agreed upon by all economists, legal experts and analysts of the concept of corporate governance, which may be due to overlaps in many matters of organizational, economical, financial and social businesses, which affect the society and the economy as a whole. Generally, the concept of corporate governance on the creation, organization of applications and good practice for those in charge of the company's management so as to maintain the rights of shareholders, bondholders and employees of the company and its stakeholders and others, through a commitment to standards of disclosure and transparency.

So we are trying through this study to identify the impact of corporate governance principles on the quality of financial reporting in order to make recommendations contribute to the escalation of these principles and develop a culture of governance in an environment of industrial firms in Jordan.

Research problems

Formulated as follows:

1. Unawareness of the designers and users of financial statements for the definition of corporate governance principles and methods of use.
2. Non-users of financial statements understand the impact of corporate governance in achieving the quality of accounting information through the efficient application of the rules of governance.
3. There is no standard or effective rule obliges companies to apply the principles of governance.

Study importance

This study contributes in a statement the importance of applying the principles of corporate governance in the economic environment of Jordan and its impact on the achievement of confidence in the information listed in Amman Financial Market, to this information the greatest impact on economic decisions of investors and shareholders and users of accounting information.

Aims of the study

1. Identify the principles of corporate governance and to study aspects of the theory.
2. Explain the impact of accounting information application of the principles of governance.
3. Understand the concept of governance within the economic environment of Jordan.

Research hypotheses

1. There are fully awareness of the designers and users of financial statements, concept of corporate governance and the foundations of their application.
2. The effective application of principles of corporate governance affects the quality of financial reporting and makes it more accurate and quality.

3. There is a relationship between corporate governance principles (the principle of protection of shareholders and investors) and the quality of financial reporting.
4. There is a relationship between corporate governance principles (the principle of equal treatment of shareholders) and the quality of financial reporting.
5. There is a relationship between corporate governance principles (the principle of the role of stakeholders in the methods of the exercise of management companies) and the quality of financial reporting.
6. There is a relationship between corporate governance principles (the principle of disclosure and transparency) and the quality of financial reporting.
7. There is a relationship between corporate governance principles (the principle responsibilities of the Governing Council) and the quality of financial reporting.

Scientific method

Achieve the aims of previous researches and access to the best methods and ways to detect the impact of corporate governance on the quality of accounting information and knowledge of its impact on the stock market as a treatment for the research problems, the researchers will rely on scientific methods the following:

1. inductive approach: the aim of the study and extrapolation some of the literature and previous studies, which included accounting thought on the subject of research, and how to use them in addressing the research problems.
2. Descriptive analytical approach: through the design of personal study and questionnaire distributed to the users of accounting information from Heads of the Board of Directors and financial analysts, auditors and others taking advantage. Then analyze the questionnaire using SPSS software to find out the results and come up with recommendations for the study.

Study sample

The study population consists of companies listed in Amman Stock Exchange told the officials and financial managers working in these companies, sample was selected randomly of the community representation on the basis of statistical methods adopted in this area.

Distribution of the study sample according to the variables of the study

Ratio	No.	Levels of variables	Variables study
13.5	5	Chief manager	Career level
37.8	14	Executive manager	
16.2	6	General manager	
18.9	7	Financial manager	
13.5	5	Other	
18.9	7	Ph.D.	Qualification
27	10	Master	
45.9	17	Bachelor	
8.1	3	Other	
35.1	13	Less than 5 years	Experience
13.5	5	From 5 to 10	
8.1	3	From 11 to 15	
43.2	16	More than 15	
51.4	19	Less than 30 years	Age
13.5	5	From 30 to 40	
21.6	8	From 41 -50	
13.5	5	More than 50	
32.4	12	account	Specialization
27	10	Management	
21.6	8	finance	
18.9	7	Other	

Section II: Previous studies

The following are the most important studies on the subject of study: -

According to (skim, 2009) entitled Corporate Governance and its impact on dividend policy - an applied study in industrial companies listed in Amman Financial Market.

This study examined a statement following a corporate governance on dividend policy in Jordanian Industrial Companies large and listed its shares in Amman Financial Market, has extended the study period of 2002-2007, The study used to measure corporate governance questionnaire was developed by the Council of Asia Securities, excluding Some items of the scale that do not fit with the environment, the current study, which included seven criteria to measure governance are (discipline management, transparency, independence, accountability, responsibility, justice, social awareness), has been distributed questionnaire to CEOs and CFOs in companies the study sample's 20 Executive Director and financial, while the dividend was measured through the analysis of the financial statements of these companies and know the profitability of the company at a rate of return on assets and the proportion of the distribution of profits. The study results showed that the effect of corporate governance on the profitability of the company and at a rate of return on assets, as well as the lack of impact of corporate governance on earnings divided by the distribution of profits. The study concluded that the most important conclusions was that Jordanian companies enjoy the level of good governance and this is a positive indicator of the importance of corporate governance, as well as providing a degree classification of corporate governance index and a guide for investors to invest in shares of companies that have good governance.

According to (Abu Bath, 2009) entitled after the application of the rules on corporate governance and accounting disclosure quality of financial reports / Palestine.

The study analyzed the impact of the discussion and application of the rules on corporate governance and accounting disclosure quality of financial reporting, a field study on companies listed on the Palestine Securities Exchange. Where they were addressed to the concept of governance, and statement of significance, objectives and rules and the extent of the effect of disclosure and quality of financial reporting by those rules, and then clarify aspects of the interrelationship between them, has been used a fieldworker descriptive analytical method in the study by collecting data from sources of primary and secondary were collected data via a questionnaire specially set for this purpose, were spread to the study population numbering 150 of the Board of Directors and executives in listed companies in the Palestine Securities Exchange operating in Palestine, in data analysis and hypothesis testing, has been using SPSS and study a set of results was the most important: that the application of the rules of governance have contributed greatly to strengthening the role of accounting disclosure and the quality of financial reporting, and the evolution of the governance culture reflected mainly on improving the corporate website and continuity towards the attainment of its objectives, research has shown the need supply the necessary ingredients to ensure the implementation of governance through the establishment of an administrative organization and professional integrated based on the foundations of the credibility of the board of directors and executives. One of the main recommendations of the study: the need to deepen the concepts and abide by the rules pronounced by the Organization for Economic Cooperation and Development through the holding of training courses necessary rehabilitation and work on the follow-up to modernize and develop the applications of sound rules of governance, and the need for a specialized committee workaround for this purpose in pursuing applications of the principles and rules of governance and controls associated with, and to disseminate the concept and culture of governance more broadly with all relevant parties, and the issuance of bulletins and instructions that mirror this affair, and abide by its rules and principles in the financial community.

Study (Kabbajp (2008) entitled the impact of the effectiveness of corporate governance on the financial performance of companies listed on the Palestine Securities Exchange. This study aimed to the statement following the effectiveness of corporate governance on the financial performance of companies listed on the Palestine Securities Exchange, the study used the descriptive method to show me where I was selected stratified random sample of 20 companies, representing 71.4% of the study population of 28 companies generating facial in the market Palestine Securities Exchange in 2005 Put the end of 2006, was used Simple linear regression and multiple to determine the effect of the change in the quality of governance on the financial performance of them, represented by the return on equity, return on investment, the share price to its profitability, and market value to book value, and the varying rate stock daily.

The study found a set of results, especially the presence of a positive correlation between the effectiveness of the application of the rules of governance on one hand and between the return on equity, return on investment, stock price, market value to book value, on the other hand, the existence of an inverse relationship between the effectiveness of the application of the rules of governance and the varying rate stock daily. The study recommended the adoption of the possibility of investors in the market of the Palestine Securities Exchange at the level of effective corporate governance for companies to rationalize their investment decisions, and the need to adopt an index of corporate governance is in the light of assessing the level of usefulness of governance and the level of performance in Palestine.

Alakeci and Khatib (2006) entitled Corporate Governance between the concept and their applicability on the ground in listed companies in the financial markets.

This study aimed to analyze the reasons for the collapse of one from the companies huge energy (Enron Enron) and having collapsed to the collapse of the largest auditing firm in the world (Arthur Andersen Arthur Andersen) to prove their involvement in tampering with the financial were in Enron, and then see the changes on Corporate Governance Corporate Governance due to landslides, and to know the views of the surrounding environment in the United States of America in the possibility of applying these changes for practice.

Dahmash (2005), Corporate governance in companies and their relationship to the profession of accounting and auditing.

This study intended to clarify the relationship between corporate governance and the accountixddng profession and auditing, and pointed to boil to manipulation and fraud that is happening in some companies adversely affect all of investors, employees, banks, creditors and communications sector, technology, and the stock market, and will require investors for a long time to restore confidence in these companies . Which requires a fundamental re-examination of the relationship between auditors and management firms, especially the Governing Council. The solution lies Puffy application of the laws, and improve the ethics of implementers of these laws, whether They were members of the Corporate Governance or auditors and therefore there is an vital need at the present time to re-examine the concept of corporate governance on one hand, accounting standards, manners and ethics of management on the other hand.

Chapter II: Literature review

Introduction

The term governance is a shortcut that translation of the term spread CORPORATE GOVERNANCE, The scientific translation of this term, and agreed upon, they are: "Method exercise of powers of governance." They were numerous definitions given for this term, so that indicates for each term point of view adopted by the author of this definition.

Know (corporate governance) as such a system through which the direction and management companies, and determines which rights and responsibilities among the various parties; such as the Board of Directors, managers, shareholders and other stakeholders, as it determines the rules and procedures for making decisions regarding to affairs of the company, as well as identifying the structure from the beginning to develop the company's goals and the means, to achieve and control mechanisms on performance.

Also can be defined (governance) is simplified as a complete system of authorities, procedures and controls established internally and externally to continue to manage the economic units in order to protect the rights of all stakeholders in the enterprise.

The known Organization for Economic Cooperation and Development OECD as: "a set of relations among the administrators of the company and the Board of Directors and shareholders and other shareholders." And some of the definitions "The corporate governance can be defined on a small scale that it represents the company's relationship with shareholders, or more broadly, the company's relationship with everyone.

Principles of corporate governance**The first principle**

The rights of shareholders. Must ensure that the wording clear, disclosure rules and procedures governing the acquisition of rights of control over the companies in the capital markets, and also of the amendments are irregular, such as mergers and sale of large proportions of the assets of the company, so that investors understand their rights and to identify the paths available to them. The financial transactions should be conducted at undisclosed, and place under fair conditions that would protect the rights of all shareholders according to their different categories.

The second principle

Equal management of shareholders. Must ensure that the exercise of authorities under the methods of management in companies equal treatment for all shareholders, including small shareholders and foreign shareholders. It should be made available to all shareholders the opportunity to obtain effective redress in case of violation of their rights.

The third principle: the role of stakeholders in the methods of the exercise of management companies Must involve the exercise of authorities under the methods of management companies to recognize the rights of stakeholders as established by law, and also works to encourage cooperation between companies and between stakeholders in creating wealth and employment N and sustainability of projects based on sound financial footing.

Third principle

Disclosure and transparency Should ensure that the methods of the exercise of powers under the corporate governance disclosure verify the exact - in a timely manner on all matters relating to the establishment of the company, including financial situation, performance, ownership, and method of exercise of power.

Fourth Principle

Responsibilities of the Board of Directors Must indicate the method of exercising such powers under the corporate governance guidelines to guide corporate strategy, and should ensure effective follow-up to the executive management by the Governing Council and to ensure the accountability of the Board of Directors by the company and shareholders.

Corporate governance in Jordan

The increased attention to the rules and applications of corporate governance recently in Jordan, in the context of this interest and the initiative of the World Bank has been the formation of a national team of consultants to conduct a study to evaluate and study the legislative environment in Jordan and the commitment of the legal framework and regulatory and oversight of the laws of Jordan rules and standards International Corporate Governance. The purpose of this study was to evaluate rules that ensure the proper application of corporate governance in Jordan. Where this study accomplished that the most important strengths and weaknesses in the climate of corporate governance in all of the financial sector and corporations in Jordan. The study points out in its entirety to the concept and principles of corporate governance in Jordan is present in many of the laws and the most important of the Companies Law No. (22) for the year 1997 and its amendments and the Securities Law No. (76) for the year 2002 and the Banking Law No. (28) for the year 2000 and the Law the organization of the accounting profession legal number (73) for the year 2003 and other laws and regulations that are related to corporate governance in Jordan, either directly or indirectly.

There are also many positive points in these laws and consistent with the concept of corporate governance in Jordan, but on the other hand there are a number of issues that need to be developed or modified to prevent any negative practices. It is the positive aspects of corporate governance in Jordan, we find that the law guarantees the fundamental rights of shareholders such as participation in the distribution of profits and voting at general assembly and access to information about the company and many others. The accounting and auditing standards consistent overall and international standards. As for the manifestation of the negative, there are some items that you need to study and modification, including the absence of any type of legal separation between the responsibilities of executives within the Governing Council and non-executive directors, and that the perception of independent directors is not existing in Jordanian legislation relevant as to the procedures in appointment of members of various committees in the company as members of the Audit Committee and other executive committee members lack the transparency and credibility.

Quality of accounting information

Define the concepts of quality of the information characteristics of accounting information useful or basic rules to be used to assess the quality of accounting information.

And determine the cause of these characteristics to help officials in the development of accounting standards, and to help officials in the preparation of financial statements in the evaluation of accounting information produced by the application of alternative accounting methods, and the distinction between what is considered necessary clarification and money is also consider. We must appraise the usefulness of accounting information on the basis of the objectives of the financial statements underlying the attention on the major external assistance beneficiaries in decision-making related to facilities. And accountants should be directed their attention to these beneficiaries must also be directed their attention to the preparation of financial statements that will help them in making their decisions.

Through the accounting standards (the theoretical framework of accounting) is clear to us several characteristics of accounting information should be enjoyed by such (appropriate, the secretariat of the information and the possibility of trust or rely on, - the ability to compare information, the appropriate time, the ability to understand information.

The relationship between the application of the principles of governance and the quality of financial reporting:

The most important motives for the application of the rules of governance for industrial companies and financial markets is to return customer confidence of investors and shareholders and management of companies in those markets in order to keep away from prone to landslides or failures due to the inaccuracy of the data and accounting information and the lack of transparency and lack of accountability in financial reporting, so the accuracy and objectivity in reporting financial side of compliance with laws and regulations issued by the state and professional associations specialized have clear impact in stimulating the movement of the stock market and boost trading and stock prices, as well as the consequence of timing appropriate to disclose all the information necessary to do so, which affects the capability of prediction for all the information and the behavior of investors both cases, and prospective. The direct target of applying the principles of corporate governance is to bring back confidence in the accounting information as a effect of achieving the overall concept of this information as the information produced by the financial reports are the most important pillars that can be relied upon to measure the size of the risks of various types such as: market risk and liquidity risk and interest rate and business risk management and price exchange.

Chapter III:

Methodology

Study nature

The study relied on the approach descriptive appropriateness for their purposes by review the literature theory on the subject of the movement of companies and their impact on the quality of accounting information in the industrial companies listed at Amman Financial Market, as well as a review of previous studies relevant. The study was also on the curriculum field by relying on questionnaire designed for the purposes of this study was to gather evidence and analysis of access to the results of Alrdasp entirely positive, for research questions and test hypotheses, provide a set of recommendations in light of the results.

Study community

The study population consists of a set of industrial companies listed on the contribution of Jordan Amman Financial Market in Jordan.

Study sample

Sample randomly selected from the population of the study of companies and industrial enterprises in Jordan consisted of (50) companies, has been retrieved (37) questionnaires were excluded (13) to identify some of the non-completion information.

Table (1) shows the distribution of members of the study variables according to the study.

Table (1)

Distribution of the study sample according to the variables of the study

Ratio	No.	Levels of variables	Variables study
13.5	5	Chief manager	Career level
37.8	14	Executive manager	
16.2	6	General manager	
18.9	7	Financial manager	
13.5	5	other	
18.9	7	Ph.D.	Qualification
27	10	Master	
45.9	17	Bachelor	
8.1	3	Other	
35.1	13	Less than 5 years	Experience
13.5	5	From 5 to 10	
8.1	3	From 11 to 15	
43.2	16	More than 15	
51.4	19	Less than 30 years	Age
13.5	5	From 30 to 40	
21.6	8	From 41 -50	
13.5	5	More than 50	
32.4	12	account	Specialization
27	10	Management	
21.6	8	finance	
18.9	7	other	

Study Tools

The researchers developed a questionnaire for the study after returning to the theoretical literature on the movement of companies and their impact on the quality of accounting information in the industrial companies, and earlier studies related. And measure the movement of corporate-resolution and its impact on the quality of accounting information in the industrial companies listed on the contribution of Jordan Amman Financial Market where it was before the jury questionnaire from the practical side of your plant, the scientific aspect of university professors.

It consists of questionnaire (25) question, relied on a Likert scale quintet, which included an answer from one degree to the answer (strongly disagree) to five degrees in boxes in front of the answer (strongly agree). And study tools consists of two parts are:

- Part I:

Palmngirai the personal questionnaire and clips, is the level career, academic qualifications and scientific expertise and the functional level.

- Part II:

Regard to corporate governance and its impact on the quality of accounting information in the industrial corporations in class Amman Financial Market.

The purpose of the study tool:

Has been studied in this research primary form of five arbitrators from professionals in the accounting department to determine the appropriateness and validity of paragraphs are used to measure the corporate governance standards and their impact on the quality of accounting information in the industrial companies listed at the Amman Financial Market, and after having heard the comments of the referees have been taking all these observations and taken into account.

- Reliability of the study:

The study was presented to the Committee on Arbitration of Isra University professors have Oharo to some observations in the study Vtm introduced, amended and then Atmadhzh study on a group of industrial companies and the number of \$ 5 companies Vtm the adoption of such a study.

- Statistical methods

To achieve the objectives of the study was the use of statistical program (spss) to answer questions about the study and test hypotheses through the use of statistical methods and appropriate as follows:

1. Arithmetic means and standard deviations.
2. (T) test for independent samples.

- Results of the study:

This chapter includes a presentation of the results of the study through to answer its questions, and test hypotheses and as follows:

The first hypothesis: the presence of full awareness of the designers and users of financial statements of the concept of corporate governance and the foundations of their application. To test this hypothesis was to find averages and standard deviations of a sample study on the awareness of designers and users of financial statements of the concept of corporate governance and the foundations of their application.

Table (2)

Averages and standard deviations of the reality of the awareness of designers and users of financial statements. The concept of corporate governance and the foundations of application
Number words mean standard deviation of degree level practice 1

Practice DEGREE	RANK	S.D	MEAN	PHRASE	No.
Medium	1	1.5	3.1750	Governance is a tool to link and control the recipients of financial reporting and company	1
Medium	2	1.4	3.150	Application of governance that are compatible with the international accounting standards, especially disclosure of the financial statements give a more credible financial reporting	2
Medium	3	1.2	2.750	Application governance is the responsibility of all departments of the company	3
Medium		1.3	3.025	Total degree	

Seen from Table (2), which for the first hypothesis, which contains the questions (1.2) of the questions-resolution, that members of the sample believe that the awareness of designers and users of financial statements of the concept of corporate governance and the foundations of their application if the arithmetic average year of the trauma (3) and I've got paragraph (1) the first position, which states that Alokmp regarded as a tool to link and control the recipients of financial reports and the company's rising of the arithmetic average (3.17750) and paragraph (2) got the second place, which provides for the application of movement that are compatible with international accounting standards and in particular disclosure of the financial statements give financial reports more credibility, and the paragraphs (1.2) the cause of the need for awareness among designers and users lists Finance of the concept of corporate governance and the foundations of their application.

The third hypothesis:

There is a relationship between the principles of corporate governance and the quality of financial reporting.

Table No. (3)

T	T	Sig	Mean deference
9.504	3.96%	.000	2.54

Noted in Table (3) and private third hypothesis, which contain questions 7.8.9 resolution of questions that the value of t calculated (9.504) is greater than the value (Statistical table) and the \$ 1.60 level of significance of 000. And will therefore reject the hypothesis numerical and accept the alternative hypothesis that the level of significance less than 05. That there is any relationship between the principles of corporate governance and the quality of financial reporting statistically significant.

Fourth hypothesis:

There is a relationship between the principles of corporate governance and the quality of financial reports

Table No. (4)

T	T	Sig	Mean deference
9.230	3.96	.000	2.5676

We also note in Table (4) that in the selection of the fourth hypothesis, which contain questions 12:11:10 Questions resolution, that the value of T calculated amounted to (9.230) is greater than the value of the indexed amount of T (1.960) and the level of significance of 000. And will therefore accept the alternative because the traumatic significance level less than 6.05 means that there is a relationship between the principles of corporate governance and the quality of financial Alaqarir statistically significant.

Fifth hypothesis:

There is a relationship between the principles of corporate governance and the quality of financial reports

Table No. (5)

T	T	Sig	Mean deference
4.103	3.96	.000	1.5135

Also we note in Table No. (5) the fifth hypothesis, which contain questions 16:15:14 resolution of questions that the value of T was calculated (4.103) is greater than the value T crosstab (1.460) and Bmistoydallap 000. And therefore we accept the hypothesis of alternative and reject the null hypothesis that there is any relationship between the principles of corporate governance and the quality of financial reporting statistically significant.

Sixth hypothesis:

There is a relationship between the principles of corporate governance and the quality of financial reporting.

Table No. (6)

T	T	Sig	Mean deference
7.700	3.96	.000	2.1892

We also note in Table (6) shows the results of my father's traumatic sixth test that contains questions (.20.19.18) resolution of the questions that the summit was the calculated T (7.700) is greater than the value T crosstab (1.960) and the level of significance of 000. And therefore we will accept the alternative hypothesis that the level of significance less than 0.05 means that there is a relationship between the principles of corporate governance and the quality of financial reporting.

Seventh hypothesis:

There is a relationship between the principles of corporate governance and the quality of financial reporting.

T	T	Sig	Mean deference
8.971	3.96	.000	2.2703

Note from the States (7), which shows the results of the seventh test the hypothesis, which contains the questions (25.23.22.21 (Resolution of questions that the value of T was calculated (8.971) is greater than the value T tabular relationship between the principles of corporate governance and the quality of financial reporting.

Results and recommendations

Results

1. The study found that there are fully aware of the designers and users of financial statements of the concept of corporate governance and the foundations of their application in industrial companies listed on the contribution of Jordan Amman Financial Market.
2. The study concluded that there is effective implementation of the principles of corporate governance affect the quality of financial reporting and makes it more accurate and quality in a community study.
3. The study found that there is a relationship between corporate governance principles (the principle of the protection of investors, shareholders) and the quality of financial reporting.
4. The study found that there is a relationship between corporate governance (the principle of the family equal to the shareholders) and the quality of financial reports
5. The study concluded that there is a relationship between corporate governance (the principle of the role of stakeholders in the methods of the exercise of management companies) and the quality of financial reporting.
6. There is a relationship between corporate governance (the principle responsibilities of transparency) and the quality of financial reporting.
7. There is a relationship between corporate governance principles (the principle responsibilities of the Board of Directors) and the quality of financial reporting.

Recommendations

1. The study recommends that there should be fully aware of the designers and users of financial statements of the concept of corporate governance and the foundations of their application in industrial companies' valuable class Amman Financial Market.
2. The study recommends that there be effective implementation of the principles of corporate governance affect the quality of financial reporting and the accuracy and quality
3. The study recommends that there be principles of corporate governance to protect shareholders and investors and there is a good financial reports inform shareholders on key information affecting the results.
4. The study recommends that there are principles of corporate governance so that there is equal treatment of shareholders, because equality of treatment between all of the most important
5. The study recommends that there should be the quality of financial reporting in order to facilitate the functions of the owners of good practices in corporate governance and companies.
6. The study recommends that there be quality in the financial reports and that the principle of disclosure and corporate governance culture in which helps to attract capital and keep the rights of shareholders, as shown the effectiveness of internal control and strength.
7. The study recommends that there will be quality in the financial reports as a matter of principle administration in the implementation of its functions in terms of equality between classes of shareholders and senior managers referred when necessary and provide a formal system characterized by transparency to achieve the necessary degree of accountability and subsidiaries.

References

First: Arab sources

1. Treasury, Naim, Alakeci, Zahir, May 2004, corporate governance two years after the update, banks in Jordan, Vol XXIII, No. IV, Jordan.
2. Alakeci, visible, and Al-Khatib, Hazem, 2006, between the concept of corporate governance and their applicability to the ground in the listed companies in the financial markets, Journal of Irbid for Scientific Research, Volume X, Issue I, Jordan.
3. Jawzi, beautiful, the role of governance in attracting FDI to the Arab countries
4. node, fit, quality, Abdel-Hakim, and His Excellency, Joseph, corporate governance in Jordan - Reality and ambitious T..
5. Khalil, Mohammed, the role of corporate governance in achieving the quality of accounting information and its implications on the stock market study applied the theory of

Second: The foreign sources

6. Griffin. Paul, Lont, David, & Yuan Sun, February 12, 2008, Corporate Governance and Audit Fees: Evidence of Countervailing Relations.
7. Piot, Charles, 2007, Corporate Governance, Audit Quality and the Cost of Debt Financing of French Listed Companies.
8. Bashiti, Lubna, S; Rabadi, Aram, Y; Assessing Corporate Governance in Jordan, The Arab Bank Review, Vol.8, No.1 April 2006.
9. Monks R.A. and N. Minow. 2000. Corporate Governance. Blackwell