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Research Article

The Extent To Which The Accounting Procedures Adopted For The Decline In The Value Of Fixed Assets In The Unified Accounting System Are Compatible With International Standards

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ABSTRACT

The current research aims to clarify the accounting procedures for the decline in the value of fixed assets in the unified accounting system and the extent of their compatibility with international standards in university institutions. To achieve what it aims to achieve, the research strategy was guided by the (deductive) approach, which relies on studying what was written in the accounting literature and its standards, as well as For its clarification of the procedures of the unified accounting system and international standards related to fixed assets, the research reached a set of conclusions, the most important of which is the existence of compatibility between accounting procedures for the decline in the value of fixed assets in the unified accounting system and international reporting standards. In both systems, the decline in the value of fixed assets is dealt with through The concept of return value (Impairment). This compatibility contributes to achieving international uniformity in accounting standards and contributes to providing accurate and valuable financial information to users.

Keywords: accounting procedures, fixed assets, unified accounting system, international standards

Introduction:

Fixed assets are considered of great importance in accounting due to their large size in economic units and companies with their various components. They are of great importance to the latter, as managing fixed assets is a vital part of managing and accounting for the unit, as it is greatly affected by its financial performance and its ability to achieve success in the market. Assets may sometimes be subject to a decline in value, and failure to take the impact of this decline into account or treat it incorrectly leads to distorting the results of the economic units' operations and their financial positions and thus making incorrect decisions by users of the financial statements.

In this regard, users of financial statements need to clarify the procedures for dealing with the decline in the value of fixed assets in a uniform, transparent and appropriate manner through compatibility of accounting procedures for the decline in the value of fixed assets linked to the unified accounting system and international financial reporting standards.

In the context of this, the current research includes three main sections. The first section is devoted to presenting the research methodology through a number of paragraphs explaining it, followed by the second section, which includes presenting the theoretical side of the research, and finally the third section is devoted to presenting the conclusions and proposals reached by the research.

1. Methodology

This topic includes the mechanisms on which the current research procedures were built. To do this, the researchers seek to develop a specific framework through which the presentation of the research problem, its importance and objectives emerge, and then the formulation of its hypotheses, in addition to addressing a number of concepts included in the research, in order to Giving it a scientific character and value, this topic is considered the essence of scientific research because it provides a clear vision of what researchers want to achieve.

1.1 Research problem

Despite the notable interest in the decline in the value of fixed assets on the part of many scientific and professional institutions and on the part of writers of accounting thought due to its impact on the financial statements in all economic units, there are many accounting matters that are still the subject of discussion and controversy. There is still a large area of The choice is left to the economic unit, such as the indicators on the basis of which impairment losses in the value of assets are recognized, as there are no specific indicators and it is left to the management of the economic units. The possibility of using indicators other than those included in accounting standards, also the timing of recognition of impairment losses in the value of assets and how to measure it. Is this done for each asset? Either separately or for each homogeneous group of fixed assets.

Therefore, the research problem boils down to answering the following questions:

- What are the causes of decline in the value of assets?
- Is it possible to develop accounting for the decline in the value of assets in accordance with international accounting standards?
- Is it possible to develop accounting for the decline in the value of assets in accordance with the unified accounting system?
- Is there compatibility between the accounting procedures for the decline in the value of fixed assets in the unified accounting system with international standards?

1.2 Research importance:

- The importance of addressing the problem of decline in the value of assets because it has the effect of economic unity.
- By studying the compatibility of procedures, it is possible to identify the differences between the current accounting system and international standards, and work to develop amendments to the accounting system to bring it into line with international standards. This includes standardizing the concepts and criteria used in assessing impairment of fixed assets and Ensure the accuracy of its estimates
- Achieving compatibility between the local accounting system and international standards can enhance transparency and comparison between companies at the global level, and contribute to increasing confidence in the financial information provided. It can also help improve risk management and enable investors and shareholders to make better decisions based on reliable information
- The incompatibility of accounting procedures in the unified accounting system with international standards leads to the inability to correctly estimate the decline in the value of fixed assets, and thus may affect the accuracy of the financial statements and unit reports.

1.3 Research objectives

The research aims primarily to clarify the accounting procedures for the decline in the value of fixed assets in accordance with the unified accounting system and international accounting standards, and in line with the research problem and its research questions, the current research seeks to achieve a number of objectives represented in the following:

- Determine the nature and causes of the decline in the value of fixed assets
- Study the methods of the unified accounting system to measure the depreciation of fixed assets
- Study the procedures of international accounting standards for the decline in the value of fixed assets
- Study the extent of compatibility of accounting procedures for the decline in the value of fixed assets in accordance with the unified accounting system and international accounting standards.

1.4 Hypotheses:

In line with the research problem and its importance, the main research hypothesis was formulated as follows:

Main hypothesis (HO:1): There is a discrepancy between the unified accounting system and international standards in dealing with the depreciation of fixed assets

Several sub-hypotheses branch out from it, as follows:

- There is an improvement or integration in accounting performance when adopting international standards compared to the unified accounting system.
- Harmonizing and applying accounting procedures with international standards to ensure accurate and transparent financial reports that meet the requirements of international standards.
- The unified accounting system adheres to the directives of international standards in dealing with the assessment of impairment of fixed assets.

2. Literature review

Over time, fixed assets can be affected by normal wear and tear from frequent use. This can lead to a decrease in their value in the long term, as the decrease in the value of fixed assets is a reflection of the decrease in the value of the fixed assets of the company or institution. This can happen because new technologies rise or the ability of older assets to generate profit declines. Or a change in demand for the company's products or services may lead to a decrease in the value of the fixed assets associated with them. For example, if there is a change in market trends or customer preferences, fixed assets may be inappropriate. The decline in the value of fixed assets reflects the challenges that companies may face in improving their investments and ensuring that the maximum value is achieved from their assets.
In light of this, the researcher reviews through the following some of the paragraphs that explain the nature of fixed assets, as follows:

2.1 Fixed assets (concept and characteristics)

Fixed assets have received the attention of academic and professional thought for a long time. Under traditional accounting, assets are measured on the basis of the principle of historical cost, as the historical cost represents the actual reality of the event at the time of its occurrence at the moment of exchange, and its accuracy and validity are not in doubt at the moment of acquisition or ownership as it constitutes A large portion of public money that institutions use to produce and provide public services. It also works to ensure effective accounting control over the possession of these assets if the elements of accounting control over them are available. (Keso, Wygant et al., 2014, 78).
It is expressed as all the movable or immovable, tangible or intangible property that the unit owns, and the purpose of its acquisition is to use it by the unit for its own purposes, with the aim of producing a good or service, and not for the purpose of selling, supplying, or investment. (Hussein, 2014, 11).
It is also expressed as the tangible portion of property, units or equipment that you own or manage with the expectation that it will continually help generate income. The period of benefit or use of these assets in the unit extends for more than one financial period, such as (land, buildings, machinery and equipment, means of transportation, furniture...) and other assets of a material or tangible entity. Some fictitious assets whose returns extend over more than one financial period are also classified as fixed assets, such as copyrights, patents, goodwill, and others. The cost of fixed assets does not include only their purchase value, but also includes all other expenses to make them ready for use, for example, transportation, installation and installation expenses, ownership transfer fees, registration with the relevant departments, and others. (Al-Qadi & Hamdan, 2008, 104)
Fixed assets are defined according to generally accepted accounting principles (GAAP) as assets that are used in the field of production, and are classified as long-term and work to increase future benefits and can be measured accurately (Barry & ETAL, 2002, 140)
It should be noted that fixed assets are used for a period of more than one year, and it should also be noted that the life of a fixed asset is limited, even if it is sometimes long. In the end, it loses its productive capacity, and its value is represented by the value of waste or scrap, and therefore its value decreases every time it is used. A year, either because of its use or because of its obsolescence, and according to the principle of matching costs with revenues, this decrease in its value must be distributed over its expected life period, and this distribution of the value of the asset over its productive life is called depreciation, which must be recorded accounting in the lists of the institution or company under what is called depreciation expense. .
Depreciation is used in accounting as a term to indicate the gradual decrease in the economic benefits that can be obtained from fixed assets, that is, it is used to describe the cost of the fixed asset consumed in the unit's activity during a certain period and this is in order to:

- Knowing the costs incurred
- Showing the fixed asset at its true value. This aims to give others a true picture of the property of the institution or unit.

2.1.1 Types of fixed assets:

Fixed assets are usually divided into two main groups: (Hamdan and Qazi, 2008, 60)
1. **Tangible fixed assets**: These are those assets that have a tangible physical entity and are all subject to depreciation, and depreciation represents the continuous decrease in their value as a result of use and obsolescence. An exception to this is land, as it is not subject to depreciation since it does not have a specific useful life and is not man-made.
2. **Intangible assets**: These are those assets that do not have a tangible physical entity, such as copyrights, monopoly rights, franchising, and goodwill. It is noted that some of these assets are subject to depreciation as their value gradually decreases, such as monopoly, franchise, and invention rights, which the unit has the right to exploit for a specific, agreed-upon period.

There is another classification of fixed assets that classifies them according to their use into:
1. **Operating assets**: which aim to bring in additional revenues and must be available on an ongoing basis within the facility to facilitate the conduct of daily operational operations, examples of which include machinery, technical equipment, copyrights, and cash flow.(

2. Non-operating assets: They are those assets without which daily business can be carried out, while maintaining their strategic value, such as investments, lands, and deposits.

An example of a fixed asset

1.Buildings and shops
- Use: To provide the space necessary for production, management and sales operations.
- Such as: factories, offices, retail stores, and warehouses.
- Value: Large sums of money are spent on its construction, maintenance and restoration.

2. Equipment and machines:
- Use: Providing productivity and enhancing the overall performance of the company.
- Such as: industrial machines, trucks, agricultural equipment, and others.
- Value: an essential element of the total cost For products produced by businesses.

3. Vehicles:
- Use: Facilitating logistics operations and delivering products to customers.
- Such as: cars, trucks, buses, planes and ships.

4. Lands:
- Use: Construction of buildings and facilities.
- Such as: industrial, commercial and agricultural lands
- Value: It must be carefully evaluated to determine its true value.

5. Intellectual property:
- Use: Improving the company's overall performance and increasing its value.
- Such as: trademarks, copyrights, inventions, software, etc.
- Value: These assets are among the most legally protected assets.

6. Other assets:
- Such as: cashier machines, invoice printers, tools, furniture, etc.
- Value: It has a material value and must be accurately evaluated according to established accounting rules.

2.1.2 Reasons for interest in accounting for the decline in the value of fixed assets

It can be said that the main reason behind the asymmetry in accounting recognition and rules for verifying revenues and expenses is due to management motives. Management has asymmetric motives regarding reporting profits and losses, such that they try to postpone recognition of losses resulting from the decline in the value of fixed assets until the appropriate time that does not harm their interests. The importance of recognizing impairment losses on fixed assets is due to many reasons, the most important of which are: (Al-Sayegh, 2014, 104)

1. The opportunistic behavior of management that remains. Management has the motivation to make accounting profit biased in its favor, and therefore recognizing fixed asset impairment losses reduces the effects of the bias introduced by management on accounting profit.
2. Recognizing impairment losses, if there is evidence of this decline at the expense of profits, results in reducing the distributions paid by the economic unit to management and current shareholders at the expense of potential lenders and shareholders.
3. Recognizing asset impairment losses prevents management from continuing to make investment and operational decisions that result in reducing the value of the economic unit in the future.
4. The lack of legal accountability that stakeholders may impose on management and auditors for profits and losses, which constitutes a fundamental reason behind the recognition of losses and the non-recognition of profits.
5. The same logic of accountability applies to the criticism that society directs to preparers of accounting standards when they present accounting standards that exaggerate profits at the expense of the true value of assets. Therefore, preparers of accounting standards usually support the policy of recognizing losses and do not follow the same with regard to unrealized profits.

Also, recognizing asset impairment losses in light of clear criteria for applying the accounting conservatism policy fills the information gap related to the decline in asset values that the economic institution may face.

2.1.3 Indicators that help accountants determine the value of low assets:

There are a number of indicators used to determine the extent of impairment in the value of assets, which are as follows (Abu Nassar and Hamidat 2009, 588):

1. External indicators:

- A decline in the market value of the asset that is substantially greater than the decline resulting from depreciation or obsolescence of the asset as a result of use or the passage of time.
- Significant changes occur in the technical, market, economic or legal environment in which the economic unit operates

- A rise in market interest rates or in the rate of return on investment, which may affect the discount rate used to determine the value in use of the asset.
- The book value of the unit's net assets exceeds the unit's market value.

2. Internal indicators:

- The asset is damaged or unusable.
- There are plans to stop or restructure the operations to which the asset belongs.
- Re-evaluating the useful life of the asset as definite instead of indefinite.
- The economic performance of the asset is or will be worse than expected, resulting in a significant decrease in the future cash flows generated or expected to be generated from the asset.

2.2 Unified accounting system:

The unified accounting system is one of the comprehensive accounting systems that consists of a group of parts that are interconnected with each other, starting from its inputs and then its operational processes represented by accounting treatments and accounting and accounting adjustments to the outputs represented by the lists and closing and financial reports that express the results of the accounting work. In fact, the design of the unified accounting system represents the first step in organizing accounting information that was designed by the highest authorities in countries aspiring to accounting unification, such as France, Germany, Egypt, Iraq, and others, for the purpose of directly benefiting from its advantages and characteristics. This system, in reality, has become the accounting, economic, and statistical tool that links data. Economic units with national accounting data by unifying accounting and economic concepts, foundations and procedures and integrating them with others. (Mashkour, 2013, 15)
It is also known as a set of arrangements for recording accounting data at the level of the economic unit, or at the national level, with the aim of preparing planning budgets and final accounts within a specific framework of principles, rules, conventions and definitions in order to serve specific goals. (Al-Baghari, 2016, 25)
The unified accounting system has determined the foundations, rules, and accounting principles that must be followed in accounting work for the purpose of reaching homogeneous data for all economic units. The unified accounting system has obligated the economic units: (Ahmed and Mahmoud, 2009, 15)

- Pricing the goods at the end of the period at cost
- Determine the weighted average method to arrive at cost
- The system specifies rates and methods of depreciation for fixed assets
- The system obliges all implementing units to adopt the accrual rate in recording financial transactions for the purpose of reaching, at the end of the period, a business result of profit and loss in an objective manner.
- Unified the final accounts, statements, and budgets for the purpose of eliminating the phenomenon of multiplicity in financial accounts, statements, and planning budgets, and the basis for their preparation. Therefore, the accounting system determined their forms, how to prepare them, and classified their vocabulary to ensure obtaining unified and homogeneous data for all economic units.

2.2.1 Objectives of the unified accounting system

When preparing the unified accounting system, it was taken into account that it achieves objectives that can be highlighted as follows: (Abdul Aoun, 2019, 6)

1. Determine and identify the largest part of the account names to focus on what the economic unit needs and according to the various activities (commodity, service, commercial).
2. Classifying financial and economic transactions and transactions according to the guide, collecting them and posting them to the relevant accounts.
3. It is compatible with computer applications for calculations, processing and storage.
4. Preparing consolidated final accounts to assist the state in economic planning and evaluating the performance of economic units and the extent of their contribution to supporting the national economy.
5. Providing statistical data for various activities to assist management in the planning process and preparing planning budgets.
6. The possibility of conducting comparisons and analysis between economic units with similar activities to evaluate the performance of senior management in the economic units.

2.2.2. Accounting procedures for fixed assets according to the unified accounting system:

The unified accounting system has been allocated for exploited fixed assets (Account 11) and is called (fixed assets), which means fixed assets that have been purchased and used in the production process. As for unused fixed assets, the unified accounting system has allocated for them (account 12) and they are called (projects under implementation) and what is meant It contains fixed assets that were purchased and have not been used in production yet. (Kazim, 2011, 25)
This distinction between exploited and unexploited fixed assets is previously uncommon. In traditional accounting, fixed assets are recorded when they are purchased, regardless of whether they are exploited or not exploited. However, the unified accounting system necessitated this distinction in order to serve the national accountant in preparing one of the most important statements, which is (the statement of total fixed

capital formation), which shows the value of new productive capacities added at the national level. Fixed assets are recorded upon their acquisition at first glance, along with all that is spent on them for the purpose of Prepare and prepare it for use within the relevant fixed asset account in an account in the projects under implementation account H/12, as this account is used to inventory and measure the asset at its total cost. Before entering into the restrictive treatments for fixed assets, we believe it is necessary to point out some points specific to this topic that must be taken into account when recording financial transactions related to the acquisition of fixed assets:

- Recording fixed assets, if the unit obtains them from any source, in the relevant fixed assets account H/12, where this account debits the purchase price or the estimated value in the case of donations or gifts, in addition to all amounts related to preparing this asset and preparing it for use.
- The acquisition of fixed assets is considered an investment activity by obtaining the fixed asset Non-current activity creditors account H/265 in application of the accrual recording method in the unified accounting system and upon payment, H/265 is made a debit and the cash account is a credit with the amount paid.
- After the fixed asset becomes ready for use, it is transferred at the total cost from the projects under implementation account

H/12 to the fixed asset account, where the depreciation on this asset is calculated from the beginning of the first month to the next following the date of its use.

2.3 International accounting standards:

It is defined as a set of specific, positive standards and guidelines upon which the accountant relies in completing his work, including measuring, proving, and disclosing information about the economic events of the project. It is considered a general model that leads to the direction and rationalization of operations in accounting, auditing, and auditing. Its nature is also known as mandatory or optional, meaning everything that constitutes a guide or reference, whether regulatory or legislative texts or recommendations issued by committees qualified to regulate the work of accountants in order to facilitate the preparation and presentation of financial statements. (Ismail Sabti, 2021: 1)

International accounting standards aim to ensure a high degree of transparency, especially in complex transactions and exchanges, such as accounting in a group of companies and measuring the fair values of assets and liabilities, in addition to the fact that they seek to create a theoretical and practical framework that governs accounting practices and reports at the international level, or to issue a single set of accounting standards that are respected. General acceptance and seeking to ensure the possibility of comparing information in terms of time and place. There is no comparison possible if international accounting standards are not applied or identical, as it is an absolute necessity. (Tariq, 2006: 600)

2.3.1 Fixed assets and international accounting standards

The International Accounting Standard 16 IAS defines fixed assets as assets that are used productively, have a physical substance or content, are relatively durable, and provide a future benefit that is easily measurable. They are also called property, plant, and equipment. (Tariq, 2006, 656) International Accounting Standard No. 16 stipulates that fixed assets cannot be recognized unless the following conditions are met: (Karoush, 2018, 10)

1. The possibility of obtaining a future economic benefit: An asset is recognized in the unit's budget when the future economic benefits expected from it for the unit are likely to occur.
2. The fixed asset must have a cost or value that can be measured: The cost or value of the item must be estimated while having the characteristic of reliability and that it is free from material errors or bias, taking care and caution in preparing estimates in cases of uncertainty and in the event that it is not possible to estimate a cost. The item or its value is reasonable, so it may not be recognized as a fixed asset, but it can be disclosed in the form of clarifications in the financial statements.

It is clear that international accounting standards focused on fixed assets from the moment they entered the unit, whether through acquisition, production, or any other method. It is possible to evaluate fixed assets by relying on two models: historical cost, which is a previous principle, and fair value, which is one of the most important points addressed by the International Accounting Standards Board, which allowed giving A secure and true picture of the value of the unit's assets and facilitating appropriate decision-making by management and even external users of the financial statements. (Khamis et al., 2023, 17)

2.3.2 Measuring the impairment of assets according to the international accounting standard

The international accounting standard that addresses the requirements for measuring impairment of assets is International Accounting Standard No. (36): Impairment of Assets, and this standard applies to all assets except: (IASB, 2008, 168)

1. Inventories are measured according to International Accounting Standard No. (02)
2. Assets arising from construction contracts are measured according to International Accounting Standard No. (11)
3. Deferred tax assets are measured according to International Accounting Standard No. (12)

4. Assets arising from employee benefits are measured under International Accounting Standard No. (19) Financial assets that fall within the scope of International Accounting Standard No. (39) for Financial Assets: Recognition and Measurement
5. Investment property measured at fair value according to International Accounting Standard No. (40)
6. Biological assets related to agricultural activity, which are measured at fair value less point-of-sale costs according to International Accounting Standard No. (41): Agriculture, and deferred acquisition costs.
7. Intangible assets arising from contractual insurance rights under an insurance contract within the scope of Financial Reporting Standard No. 4 (IFRS) (Insurance Contracts)
8. Non-current assets (or disposal groups) classified as held for sale under Financial Reporting Standard No. 5(IFRS) (Non-current assets held for sale and discontinued operations.

We note from the above that the accounting measurement of the decline in the value of assets is one of the most important of the many accounting treatments in international accounting standards that contribute to reflecting the true picture of the economic unit's receivables, as it takes into account the changes that may occur in the value of assets as a result of influential internal or external factors. However, it It turns out that International Accounting Standard No. 36 came in response to the principle of conservatism as a basis for accounting measurement, and this principle has become one of the most important accounting principles required by the global economic environment in order to mitigate recurring economic and financial crises. However, it is biased towards a decrease in value through the reduction of the financial result of the unit. While the increase in value does not mostly affect the result of the economic unit, but is treated as a change in property rights, and this is what makes the results for the economic units more conservative (Eric, 2005, 129).
The British Accounting Standard (11), SSAP FRS (No), the International Accounting Standard IAS IASC (No36), and the Saudi Accounting Standard No. (19) agree in their definition of decline in the value of assets with American accounting standards. The British Accounting Standard sees it as the decline in the value that can be recovered from the asset. To less than its book value, while the International Accounting Standard considers it to be the amount in excess of the book value of an asset over the amount that can be recovered from this asset. As for the Saudi Accounting Standard, the asset is considered to have decreased in value if its value is The book value is higher than the value that can be recovered from it, and given the Egyptian accounting standards' reliance on international accounting standards, its definition in Egyptian Accounting Standard No. (31) is fully consistent with the International Accounting Standard. (Al-Sayegh, 2014, 107)
International Accounting Standard No. 36 (36IAS) stipulates that the economic unit must evaluate in each reporting period whether there is any indication that the value of this asset may decrease in value, and if any such indicator exists, the unit must estimate the recoverable value. For the asset, this standard specifies the necessary procedure to ensure that the asset is recorded at a value that does not exceed its recoverable value, and the asset may be recorded for more than its recoverable value, if the recorded amount exceeds the amount that can be recovered through use or sale of this asset, and in this way this can be expressed The asset is considered to be of low value, and therefore the recorded amount must be reduced to its recoverable amount, and this reduction is considered an impairment loss. Also, regardless of whether there is an indication of impairment, the organization must at that time test the years for impairment of the goodwill acquired in the business combination. (Qadri, 2016, 63)
As for intangible assets that do not have a specific useful life or are not yet available for use, this is done by comparing their recorded amount with their recoverable amount. The reason given for intangible assets that are not yet available for use is the ability of the intangible asset to generate sufficient future economic benefits to recover its recorded amount, subject to the degree of The uncertainty is greater before it becomes available for use than after it becomes available for use. ((IASB,2014,10)
International Accounting Standard No. (36) aims to clarify how to deal with the decline in the value of assets owned by the unit, as the standard is based on a basic principle that is the necessity of not recording the asset in books at a value greater than its fair or real value. Accordingly, there is an impairment loss in the value of the asset if the recoverable amount of the asset is less than its carrying amount at the balance sheet date. The recoverable value is the "fair value of the asset less the costs to sell it" or the "value in use", whichever is higher. Under the standard, a decrease in the value of the asset is recognized as a loss that appears in the income statement, and the value of the asset is reduced by Decrease by creating an accumulated impairment loss shown as a deduction from the asset. The standard also clarifies the circumstances in which an entity can reverse an impairment loss on assets that were previously recognized as impaired in prior periods. The standard stated that if the fair value exceeds the book value of an asset for which an impairment loss has previously been recognized, then in this case the accumulated impairment loss is canceled and thus the value of the asset is increased with a maximum limit that represents what was previously recognized in previous periods as an impairment loss (Abu Nassar & Hamidat, 2009:507)

2.4 Result

From what has been clarified, it can be said that, in general, the unified accounting system is considered the general framework that contributes to unifying financial reports, while asset impairment standards provide detailed rules for estimating and applying asset impairment in accounting records. In the International

Accounting Standards (IFRS), the measurement of assets is addressed. In a manner similar to the unified accounting system. Measuring assets requires determining the fair value of derivative assets or their historical cost in the case of tangible assets such as real estate, vehicles, equipment and other fixed assets. The rest of the company's assets, such as financial investments, contracts, and intellectual property rights, are measured at fair value. Its measurement in international accounting standards is based on the principle of financial soundness, fairness and consistency.
As for the procedures for measuring the decline in assets in the unified accounting system, they are similar to the procedures in the International Accounting Standards (IFRS) because in both systems, the estimated fair value approach is applied to the asset to determine whether its value has been reduced according to a reasonable possibility. The estimate depends on several factors, including the feasibility of the project, the economic context, market changes and costs associated with the asset itself. However, the accuracy and details of the procedures may vary based on local laws and legislation in countries that adopt the unified accounting system. Therefore, companies must adhere to the local requirements applicable in their countries and ensure that they comply with globally recognized international accounting standards.

3. Conclusions:

- Accounting procedures for the decline in the value of fixed assets refer to the steps and accounting policies followed by economic units to record a decline in the value of their fixed assets (such as buildings and equipment) in accordance with accounting standards.
- There is compatibility between accounting procedures for the decline in the value of fixed assets in the unified accounting system and international reporting standards. In both systems, the decline in the value of fixed assets is dealt with through the concept of impairment. According to this concept, the book value of fixed assets is estimated and compared with the recoverable value. If the recoverable value is less than the book value, a loss in value is recorded. This consensus contributes to achieving international uniformity in accounting standards and contributes to providing accurate and valuable financial information to users.
- The unified accounting system is an accounting system used in many Arabic-speaking countries, which is based on unifying the rules of accounting and financial announcements in these countries. It aims to achieve unification and coordination between companies and provide transparent and reliable financial information.
- International standards are a set of global accounting standards issued by the International Accounting Standards Board (IASB). These standards are widely used in many countries around the world and aim to unify and expand the scope of globally recognized accounting standards.
- Decrease in the value of fixed assets in the unified accounting system in accordance with international standards. What is meant is the application of accounting procedures and principles that allow a fair estimate of value. Therefore, when it is said that the procedures accounting for the decline in the value of fixed assets in the unified accounting system are compatible with international standards, then this It means that the company follows the existing accounting policies and guidelines in both systems to record a decrease in the value of fixed assets.
- The global economy is affected by the standards and principles that countries follow. The criterion for decline in the value of assets is an international standard followed by most countries that have unanimously agreed on the importance of international standards and apply it.
- There is an importance in applying the impairment standard for assets, and users of financial reports must have knowledge and awareness of the importance of applying the impairment standard for assets.
- Despite the importance of the accounting standard for the decline in the value of assets, the accounting standards in general and the standard for accounting for the decline in the value of assets in particular allow profit management by allowing the loss or any part of it to be reversed again if indicators appear indicating an improvement in the recoverable value of the asset. .
- The decline in the value of assets cannot in any case be viewed as opportunistic behavior by the management of the economic unit.

4. Suggestions

- Reconsidering the accounting procedures adopted in accounting for fixed assets by adopting an integrated accounting system for accounting for these assets and developing accounting procedures for them in the unified accounting system.
- Conducting further studies on developing accounting for the decline in the value of assets other than fixed assets and current assets such as goodwill.
- Institutions, companies and accountants must adhere to the application of recognized local and international standards and the uniform treatment of impairment of fixed assets. This ensures the reliability of financial reports and enhances transparency in accounting processes.

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