

Abstract

The basic aim of this study is to ensure that the depending on analysis based on the cash flows statement in addition to the analysis of the income statement and the balance sheet recognize the financial status and sability of the establishments applying for finacing and whether they are able to fulfill their liabilities quite accurately .

Hypotheses of the study :

1. the accounting measuring alternatives influence the accuracy of the results of the financial analysis made to the income statement and the blance sheet .
2. the analysis of the income statement and balance sheet is inadequate to determine whether an establishment is able to fulfill its liabilities .
3. the statement of cash flows constitutes a criterion for the profit quality .
4. the statement of cash flows is a hidden way for accounting on the cash basis .

The study consists of :

- **Introductory Chapter** : which includes the general framework as well as the previous studies conducted in this filed .
- **Chapter I** : it is devoted to a profile on the banking sector and the development thereof internationally and locally , the concept , the sources and the risks of the financing and the concept of the financing as in the Islamic economics.
- **Chapter II** :it is about the concept of the financial statements and the tools of the financial analysis .
- **Chapter III** : it is on the concept and the significance of the cash flows statement and how to prepare them

Most Important results :

1. the analysis based on the income statement and the balance sheet is inadequate to judge the ability of an establishment to fulfill its liabilities .
2. the net of cash flow from the operational activity does not resemble the systems of performance measuring such as the net income from the operation and the working capital , where the former gives more indicators for the fluidity

problems and the inability to fulfill the debts before bankruptcy or getting into trouble.

Most Important Recommendations :

- the central bank should add the cash flows statement as a document required for granting banking financing .

