RES MILITARIS
REVUE EUROPEENNE D ETUDES EUROPEAN JOURNAL OF MILITARY STUDIES
Social Science Journal

The impact of the Corona pandemic on the financial performance of companies listed on the Iraqi Stock Exchange

Adel khadim Mohammed
Accounting Department, Faculty of Administration and Economics, University of Baghdad, Iraq
Email: adil.khadim.sm@gmail.com

Safaa Ahmed Mohammed
Accounting Department, Faculty of Administration and Economics, University of Baghdad, Iraq
Email: Prof.drsafaa_alani@coadec.uobaghdad.edu.iq

Abstract

This research aims to demonstrate the nature and concept of the Corona pandemic, its implications for the global economy, and the management and performance of companies in particular. Additionally, the research intends to measure the impact of the Corona pandemic on companies' financial performance. Listed on the Iraqi Stock Exchange, which has finished compiling its year-end financial statements for 2019-2020. The investigation arrived at several findings, the most significant of which was that most businesses were not prepared for such a crisis technologically or to develop human resources to deal with this pandemic. In addition, most companies experienced a decrease in their financial performance as a direct result of the Corona pandemic, as indicated by the findings of the investigated financial performance indicators. Finally, the research resulted in several recommendations, the most important of which is that businesses should invest more in technology and the development of human resources to prepare for such crises in the future and that the government should provide support for companies that were impacted by the pandemic by waiving taxes, removing customs duties, and providing banking facilities from the Central Bank.

Keywords: Corona Pandemic, Financial Performance, Iraq Stock Exchange, Human Resources Development.

Introduction

The Corona pandemic and its repercussions caused significant economic and health damage. It affected most of the world's economies, and the economy stopped without warning. In light of the development of the Corona pandemic, the accounting profession is not isolated from the effects of this pandemic. The pandemic has misled most international trading companies, including companies listed on the Iraqi stock market, which led to the emergence of weaknesses and imbalances in the management and performance of most of these companies. The impact was evident in some sectors compared to other industries, such as tourism, the hotel, and the banking sector, negatively affecting the companies' financial performance. To reflect the deterioration of the current crisis, most governments around the world, including the Iraqi government, have taken a series of preventive measures to reduce the risk of a pandemic through many resolutions, including curfews, restrictions on the movement of citizens, and wheels, as well as the closure of shops, companies, factories, and government departments.

1. *The Corona pandemic, its effects, and preventative measures*

2. *Definition and concept of the corona pandemic*

2.1. Corona pandemic definition

Pandemic language is the severity that sweeps money because of natural or temptation. God swept his money and swept him, meaning that is, he destroyed him with the pandemic. (KATTAN,2020:203). As for the term pandemic: everything that affected the fruit of locusts, wind, fire, drowning, hail, rain, birds, worms, rotting of the fruit in trees, and poisons (KATTAN, 2020:203). The World Health Organization has announced the spread of the new Coronavirus, Covid-19, which appeared in December 2019 in China. And she called it (epidemic) an epidemic, then returned and announced on March 11, 2020, that it had turned into (pandemic), meaning (general epidemiological spread). It was translated into Arabic as (pandemic) instead of (epidemic) due to its rapid geographical spread and over large distances around the world according to The criteria of the World Organization for the expression of the pandemic, that is, when a new unknown epidemic spreads and invades humanity beyond expectations, because more than one country has begun to announce the occurrence of the epidemic, such as Spain, America and the Gulf countries, which is what the organization sensed that the conditions for the pandemic have become in place. The pandemic requires a societal spread of the disease on more than two continents, and its entry into America included three continents, namely Asia, Europe, and North America. Therefore, the World Health Organization defines a global epidemic or pandemic (pandemic) as the global spread of a new disease. The term pandemic is one of the World Health Organization's assessments of influenza as influenza is classified into six levels, and the highest level is a pandemic, which is defined as an outbreak of influenza virus at the level of the population is at least one country, indicating that the virus spreads across countries. The pandemic was referring at the time to the scope of the virus's impact, not to the severity of the epidemic and the death rate, so in 2010 the World Health Organization gave a simple definition of a new disease (pandemic) that is, spreading worldwide. This definition contains two components:

1- It is a global spread. 2- Most people cannot resist it. When an epidemic spreads widely in many parts of the world and on many continents, it becomes a pandemic (WHO, 2020).

2.1.1. Corona pandemic concept

The Corona pandemic represents a large family of viruses that may cause illness in animals and humans. It is known that several coronaviruses cause respiratory infections in humans, ranging in severity from the common cold to more severe diseases such as Middle East Respiratory Syndrome and severe acute respiratory syndrome (SARS). SARS) The newly discovered coronavirus causes Covid-19 disease. People can become infected with Covid-19 disease through other people infected with the pandemic. The condition can be transmitted from person to person through tiny droplets scattered from the nose or mouth when a person infected with Covid-19 coughs or sneezes, and these droplets fall on objects and surfaces surrounding the person. Other people can then catch COVID-19 by touching these objects or surfaces and their eyes, nose, or mouth. People can also contract Covid-19 disease if they breathe in the droplets that a person with the infection coughs or exhales. Therefore, it is necessary to keep a distance of more than one meter from the infected person, and the most common symptoms of Covid-19 disease are fever, fatigue, and dry cough. Some patients may suffer from aches and pains, nasal congestion, cold, sore throat, or diarrhea. These symptoms are usually mild and start gradually. Some people become infected without showing any signs and without feeling sick. Most people (about 80%) recover from the disease without the need for special treatment. The severity of the disease is severe in approximately one person out of every (6) people infected with Covid-19 infection, as they suffer from difficulty breathing, and the elderly and people with chronic diseases such as high blood pressure, heart disease, or diabetes are more likely to suffer severe conditions. About (2%) of the people who contracted the disease died. People with fever, cough, and difficulty breathing should seek health care (WHO, 2020).

2.2. The impact of the Corona pandemic on various economic sectors

The Corona pandemic has caused severe turmoil in global economies at all levels, financial conditions have deteriorated sharply in various parts of the world, and emerging markets have witnessed capital outflows abnormally in terms of size and speed (a record number of $ 100 billion), and market activity has virtually frozen In some cases, the demand for liquidity has become overwhelming, with emerging markets severely short of liquidity (Okamoto, 2020; Duke & Osim, 2020). The Corona pandemic has had many repercussions on global economies, and the following is a review of the essential economic effects and indicators of this pandemic:

2.2.1. Damage to the tourism sector

The world is facing an unprecedented global health, social and economic emergency due to the Corona pandemic. Travel and tourism are among the worst affected sectors, with a massive drop in international demand amid global travel restrictions, including many closed borders. According to the latest edition of the World Tourism Organization World Tourism Barometer, tourist arrivals decreased by 72% in January-October 2020 compared to the same period last year due to the slow virus containment, low traveler confidence, and significant travel restrictions. Due to the COVID-19 pandemic, the drop in the first ten months of the year represents 900 million fewer international tourist arrivals compared to the same period in 2019. It translates into a loss of US$935 billion in revenue from exports to international tourism, more than ten times the losses in 2009 under the influence of the global economic crisis. The Asia Pacific saw an 82% drop in arrivals from January to October 2020. The Middle East recorded a 73% drop, while Africa saw a 69% drop over the ten months. International arrivals in both Europe and the Americas fell by 68%. Data on global tourism spending still reflects weak demand for outbound travel. However, big markets such as the US, Germany, and France have shown some timid signs of recovery in recent months. While demand for international travel remains subdued, domestic tourism continues to grow in many large markets such as China and Russia, with domestic demand for air travel mostly back to pre-pandemic levels. Based on current trends, the number of international arrivals will fall by 70% to 75% for the whole of 2020, according to a forecast by the World Tourism Organization. It means international tourism could have returned to its levels 30 years ago. The estimated decrease in international tourism in 2020 is equivalent to a loss of about 1 billion tourists and 1.1 trillion US dollars in international tourism receipts. More than 2% of global GDP in 2019. The announcement and introduction of the vaccine are expected to increase consumer confidence and contribute to easing travel restrictions gradually. The UNWTO scenarios from 2021 to 2024 suggest a recovery in international tourism by the second half of 2021. However, a return to 2019 levels in terms of international arrivals may take 2-4 years (UNWTO,2020:1).

2.2.2. Impact on Investment and Trade

The OECD expects global investment flows to decline by at least 30% in 2020 compared to 2019 before returning to pre-crisis levels by the end of 2021. Supply and demand are expected to decrease along with lower oil prices and investor confidence from the decline in global direct investment in the MENA region. The United Nations Economic and Social Commission for Western Asia estimates that the Arab region will likely lose 45% of FDI inflows in 2020. In 2019, global foreign direct investment increased by 12% to reach $426.1 billion, but it was still suffering when the Corona pandemic appeared, and it remained below the levels recorded between 2010 and 2017. During the same year, global direct investment flows to the Middle East and North Africa reached $17.2 billion, an increase of 10% compared to 2017, but still less than half the level recorded in 2008, which was the peak year for global direct investment flows in the region itself. In addition, there will be an immediate impact on global direct investment at the international level in the Middle East and North Africa region through the decline in equity investments, as investors will stop new investments and mergers and acquisitions. Preliminary estimates indicate that the value of M&A has decreased by 71% in the four months of The first of 2020 (from $89.6 billion to $26.2 billion) compared to the same period in 2019 (OECD, 2020: 14).

2.3. The impact of the Corona pandemic on accounting practices

The company's accounting practice requires finding several ways through which its accounting policy is implemented and adhered to through methodological foundations by the company's accountant and auditor or a group of specialists in the accounting profession. It also requires the application of its theoretical and practical accounting policy within the company.

2.3.1. Requirements for accounting practices under the Corona pandemic

The goal of the accounting practice is to apply the principles and accounting policies of the company. With the outbreak of the Corona pandemic, the performance and activity of many companies stopped. Their commercial operations were suspended in implementation of the imposed restrictions and preventive measures, as these measures led to the suspension of most of the companies' activities, the impact of the crisis was significant on some sectors such as the tourism and hotel sector And the transportation sector, the service sector, and other sectors, and with the outbreak and development of the Corona pandemic, it is difficult to predict its extent or the period of its impact on the global economy, as there is no single agreement on how to speed up its development and effects, so the absence of such an agreement requires companies to disclose the consequences The economic impact of this pandemic (Al-Jabali, 2020; Emina & Ikegbu, 2020; Husár, Jaššo, & Dillinger, 2020).

Delalio (2, 2020) has suggested four ways to activate accounting work to reduce the effects of the Corona pandemic, and these methods are:

1) Operating the company's accounting programs through computer resources and systems.
2) Carrying out the company's accounting business by automating operations to eliminate paper.
3) Management of accounting business through the assistance of an external source.
4) Focusing on the most practical investment activities by arranging businesses and liquidating some of them.

2.3.2. The impact of the Corona pandemic on the accounting profession

The Corona pandemic can significantly change how accountants prepare financial reports for companies. In light of its spread, most companies have begun urging their employees to work at home, including accounting and auditing companies, as Deloitte published information warning accountants of the need to protect their health and business from its impact on the foreseeable future. In addition, they should think about how they work by switching to cloud-based software using their personal computers and dealing with customers via phones or the Internet rather than in person. Accountants should also develop their skills in communication and dialogue with customers to meet their needs (Moyer, 2020: 2).

Regardless of these precautions that can be taken to protect against the health risks of the Corona pandemic, accountants can protect themselves by adopting some additional measures, for example:

1) Accounting firms should allow access to appropriate applications and portals for employees and management. Again, this is because they do their jobs from home.
2) Make the necessary changes in schedules and inform the customer of that.
3) Adopting digital data and file-sharing platforms necessary for the customer to avoid using paper. For example, suppose the files can be shared on a digital platform instead of using a form that could be contaminated. Communication with customers can also be achieved smoothly without any loss in productivity.
4) Avoid conducting or attending meetings and adopting video conferences for some time.
5) Benefiting from internet services, work can be performed from home and avoid gatherings in offices or travel (Mahmoud, Hussein, 2020: 8).

3. Corporate financial performance

3.1. Concept and definition of financial performance

Financial performance is one of the fundamental concepts in business organizations in general and banking institutions in particular. It can give a complete and broad picture of the company's business at its internal and external environment levels. Many studies dealt with the subject. Still, they did not find a single concept of financial performance (Al-Jubouri, 2002: 2). Financial performance has been defined as the ability to generate resources from operational operations during a specific period, and it is measured through net income and cash generated from operations (Ben Gedo and Mihoub, 2020: 236). Financial performance was also defined as a subjective measure of how the company uses its assets efficiently and effectively to generate resources (Aifuwa, Musa, Aifuwa, 2020: 17). Also, financial performance was defined as a product of behavior, and behavior is an activity that he did As for the results of the behavior, they are the products that resulted from that behavior (Suad, 2007: 9). some see that the company's financial performance is a measure of its success in terms of revenues, total operating costs, debt structure, assets, and investment returns, and therefore stakeholders will be interested in any change in the company's financial performance, such as a change in the statement of financial position, from profit or loss, or cash flow. Performance depends. The company's financial statements include strategies and procedures its management set to achieve its organizational goals (Xuan,2022:179). The authors believe that economic performance has a broader definition that refers to the company's method of investing the available resources under standards related to the objectives in light of a set of internal and external changes that the company deals with to achieve efficiency and effectiveness, ensuring its continuity.

3.2. The concept of financial performance appraisal

Financial performance evaluation is an integrated system that compares the output in the selected indicators and their interview with the target indicators or those that reflect the company's financial performance results during previous periods (Bushnaq, 2011: 20).

3.3. The importance of evaluating financial performance

Financial performance is a comprehensive and essential concept for all companies in general, and it is almost a total phenomenon for all branches and knowledge, whether accounting or administrative. Financial performance is a technical term discussing the level at which it is analyzed and the basic rules for its measurement. Some believe that the dispute over the concept of financial performance stems from the difference in standards and criteria on which it is relied to study and measure performance. Authors say this difference is due to the diversity of authors' goals and trends. In their study, the process of evaluating the financial performance of companies is seen as a monitoring process. Still, the financial performance evaluation processes are an essential part of monitoring, and the purpose of the evaluation is to identify the problem that may hinder the financial performance of companies. Within this context, some indicate that the performance evaluation process Financial control is a form of control and focuses on analyzing the results that have been reached through the efforts made at various levels to identify the improvement and Achieve the goals of companies in using the available resources to the best use and rationalizing management in preparing plans. The process of evaluating financial performance is intended to measure the completed work and compare it with what was and what should be according to the pre-prepared planning (Al-Zubaidi, 2011: 89). The financial performance reflects the company's ability to achieve long-term goals and the extent of its ability to exploit its resources to achieve the company's goals. Financial performance is a function of all the company's activities, and the interface reflects its actual situation in various aspects. All parties in the company seek to enhance the optimal financial performance (Abu Moon, 2009:22).

Evaluating financial performance aims to improve and develop company performance, as it is a measurement to ensure that actual performance meets the specified performance standards. It is a systematic process that aims to measure strengths and weaknesses to achieve a specific goal that the company planned (Al-Mutairi, 2011: 14). It should be noted that good financial performance has a set of characteristics and requirements that must be met to judge the quality, adequacy, and effectiveness of the company's performance. These components are:

1) Strategic management: the senior management sets the company's strategies, determines its long-term directions and achieves its financial performance through continuous evaluation of the strategy developed.
2) Transparency: It is easy to access the required information. Transparency also helps uncover errors.
3) Adoption of the principle of effective accountability: the focus is given to all levels of financial performance that are achieved and the effectiveness of the accountability system that has been followed in light of the availability of elements to implement effective accountability.
4) Accounting system development: Sound accounting and financial data is the mainstay for controlling financial performance, as it contributes to clarifying the extent to which the rules are applied and implemented, as well as facilitating the process of control and auditing (Nadim, 2013: 33).

The authors believe that the need to pay more attention to financial performance and its indicators has increased, especially with the spread of joint stock companies seeking to separate management from ownership.

3.4. Objectives of evaluating financial performance

The main objective of the evaluation process is to ensure that the actual performance is as planned. In addition, however, some other purposes of evaluating financial performance such as cost rationalization, assistance in planning, re-planning, reducing the rate of errors and their risks when developing plans, determining implementation stages, following up on the progress of goals and strategies, achieving cooperation between companies, and the departments of these companies that participate in Execution, as well as directing the efforts required to implement these plans, and the evaluation of financial performance is an essential pillar on which control operations are based. It also provides the company's management with the information required to make decisions, whether for development, investment, or when making fundamental changes such as purchasing equipment, changing products, or The emergence of new markets. And the evaluation of financial performance is one of the essential pillars for drawing up public policy, whether at the company level, the industrial level, or the state level (Abu Qamar, 2009: 23).

3.5. Stages of financial performance appraisal

There are several stages for evaluating financial performance, the most important of which are: (Al-Mutairi, 2011: 19).

1) Planning stage: In this stage, budgets and estimated lists are prepared, evaluation tools to be used, and centers responsible for evaluations and expected future goals are identified.
2) Results comparison stage: The actual performance is compared with the planned implementation in this stage. The aim is to determine the extent to which the previously set objectives have been achieved and whether there are deviations in analyzing them, knowing their causes, and treating them.
3) The stage after comparing the results: In this stage, it is necessary to determine if there are deviations to analyze them, know their causes, and treat them.

3.6. Factors affecting financial performance

The company faces several difficulties and problems that hinder it when performing its activities and functions. Accordingly, the manager searches for the sources that cause these problems, analyze them and makes the right decisions. Among the critical factors that affect financial performance are: (Ghazal, 2015: 15)

1. Internal factors: They are those factors that affect the company's performance and which the company can control and control in a way that helps to maximize returns and reduce costs. The most important of these factors are the following:

a. Cost control.
2) B. Monitoring the efficient use of available financial resources.
a. Controlling the cost of obtaining funds.
3) 2. External factors: The company faces a set of external changes that affect its financial performance, as the management cannot control it, but it can anticipate the future results of these changes and try to give plans to reduce the severity of their impact. These factors include:
4) Risks arising from financial crises.
5) Scientific and technological changes affect the quality of services.
6) Procedures, laws, government instructions, and market laws imposed on companies.
7) The financial, monetary, and economic policy of the state.

4. The pandemic impact on the financial performance of companies

The Corona pandemic has damaged the economies of countries and negatively affected the financial performance of companies, as previous studies have shown that disasters, public crises, and global anxiety can affect the company's financial performance. However, research on the catastrophic effects of these crises is not comprehensive, as the Corona pandemic has brought about significant changes in the global economic landscape regarding productivity, investment, and household spending. However, the unprecedented presence of the Corona pandemic caused unexpected turmoil for companies from the perspective of liquidity and financial leverage. Thus, the Corona pandemic significantly affected the financial performance of companies listed in the financial markets due to the decrease in total revenues, as the impact of the pandemic was on tourism, hotel, and transportation companies. Banks are more significant than others.

1. The impact of the Corona pandemic on financial measurement and disclosure

The state of paralysis that afflicted the joints economically, socially, and commercially worldwide as a result of the Corona pandemic crisis, which led to affecting the work of companies and their financial performance and thus affected the course of accounting work, especially the informational content of financial reports,

(KPMG,2020) It stresses the need to disclose information that enables its users to understand the impact of the Corona pandemic on their financial performance until the authorized statements are issued. Although there are few detailed instructions on providing such disclosures, they must be clear, and companies should be careful to avoid providing disclosures in ways that could be misleading. Richter (2020) indicates that the consequences of the Corona pandemic led to what There is no room for doubt about the deterioration of the financial situation after the date of preparing the financial statements, and from the severity of this deterioration, the imposition of continuity in their preparation has become inappropriate, and this will require the application of general recognition, measurement, and disclosure requirements, with particular importance being given to the requirements of assets held for sale, and the classification of the company's debt instruments and rights ownership, impairment testing, recognition and measurement of provisions (Al-Jabali, 2020: 1161)

2. Measuring the impact of the Corona pandemic on financial performance using financial ratios

Financial performance indicators are one of the most critical stages of the company's performance appraisal process and one of its pillars. They are considered the basis upon which the company's performance is evaluated. There are a set of ratios used in evaluating the company's financial performance, but we will use the most common ratios in measurement, which are as follows:

1- Rate of Return on Equity (ROE)

It is one of the essential criteria when measuring profitability and through which it is possible to measure the company's profitability. Moreover, this indicator is one of the most critical measures because it contributes to the ability to compete to obtain funds. In addition, this rate indicates the return owners get when investing their money.

2- Rate of return on assets (ROA)

This financial indicator expresses the company's ability to achieve profits by investing its assets. Therefore, the high percentage of this indicator indicates the power of the company's management to generate profits when using its assets and that the high rate reflects the efficiency of the company's operations and the management's use of investment and credit policies that contribute To generating profits, the ratio is compared with the proportions of previous years to find out the efficiency of the company in the use of its assets.

3- Net Profit Margin (NPM)

It represents the revenue realized from the company's activity for the current period. It is one of the performance indicators that express the efficiency of the unit's performance if it is high. Conversely, it describes the low performance of the team if it is low, and the profit margin reflects the efficiency in managing expenses (controlling costs) and pricing policies for services.

4- Net Operating Profit Margin (NOPM)

This ratio is one of the significant financial ratios that express the company's operational performance because it is the outcome of a functioning and service activity for one year, and to the extent of the efficiency and effectiveness of the company's management, as much as it can raise the operating profit according to the level of activity that is practiced during a year.

5- Earnings per share (EPS)

This indicator reflects the extent of profitability for each share of the company's owners, and the value of the shares increases when future dividends increase, expected risks decrease, and earnings per share rise.

6- Asset Turnover (AU)

This indicator indicates the effectiveness of the company's management in using its available cash and in-kind assets to achieve the highest revenue during a fiscal year.

7- Equity Multiplier (EM)

This ratio is considered one of the tools that double the profitability of the company and is used to determine the amount of borrowing to finance companies, and the equity multiplier reflects the financial leverage or the financing policies, i.e., the source of financing for the company if it is the money of others or the right of ownership (Mohammed, Faris, 2020: 161)

8- Net Working Capital (WCN)

As it is called net working capital, working capital is used in the company's estimation in financing its daily operations and fulfilling short-term obligations. Therefore, reducing the cost of capital and positive working capital indicates that the company can pay short-term obligations and provide surplus liquidity to develop its business and reduce debt.

9- Turnover ratio (CR)

This ratio shows the times the company's current assets can cover short-term obligations. The company's assets are considered a guarantee of its obligations in all cases, whether in borrowing or liquidation.

10- Liquid or Quick Ratio (LQR)

Liquid assets mean the total current assets minus the commodity inventory, and this ratio is similar to the trading ratio, but it does not include the inventory of commodities as an asset that can be liquidated at the required speed therefore, this ratio is used as more stringent criteria in measuring the ability to cover the company's short-term obligations (Sheikh, 2008: 32, 33, 35).

The above indicators will be dealt with in detail and accurately on the practical side through their application in the research sample company and the impact of the Corona pandemic on the company's financial performance by extracting the results.

To achieve the objectives of the research, the two authors will analyze the financial statements of the Al-Mansour Hotels Company, the research sample, which has been listed on the Iraqi Stock Exchange for two years (2019-2020), as it was chosen because of the availability of financial information for the period covered by the research, which completed its financial statements.

5. The results

This topic deals with analyzing the relationship between research variables and testing its hypotheses, as follows:

Sectors and companies, the research sample, whose financial statements will be interpreted according to the financial performance indicators for the years (2019) and (2020), as follows:

First: the hotel sector

Al-Mansour Hotels Company (Mixed Shareholding) / Baghdad

The changes in the financial performance of the hotel sector / Al-Mansour Hotels Company can be shown in the following Table

Table 1. *Change in financial performance*

#	indicator	Equation	2019	2020	*Rate of change
1	Rate of return on equity	Net profit after tax ÷**Property Rights =	757298362 3922483731 19,307%	-	-
2	Rate of return on assets	Net profit after tax total assets ÷ =	757298362 5532195209 13,689%	-	-
3	Net profit margin	Net profit after tax ÷ total operating income =	757298362 5374190481 14,091%	-	-
4	Net operating profit margin	Total operating income - total operating expenses total assets ÷ =	5374190481- 4402838501 5532195209 17,558%	2332860179- 3349922163 4761569596 (21,360)%	(221,654)%
5	Earnings per share	Net profit after tax ÷ number of shares issued =	757298362 2923200000 25,906%	-	-
6	Turnover of assets	Total operating income total assets ÷ =	5374190481 5532195209 97,143%	2332860179 4761569596 48,993%	(49,566)%
7	Property rights multiplier	Total assets ÷ property rights =	5532195209 3922483731 141,038%	4761569596 3097604989 153,718%	8,990%
8	Net working capital	Current assets - Current liabilities =	4194475075 1309136903 2885338172	3538793355 1363390032 2175403323	(24,605)%
9	Trading ratio	Current assets ÷ current liabilities =	4194475075 1309136903 320,400%	3538793355 1363390032 259,558%	(18,989)%
10	Rapid liquidity ratio	Current assets - inventory ÷ current liabilities =	4194475075- 145449850 1309136903 309,290%	3538793355- 143720541 1363390032 249,017%	(19,487)%

**(Capital + Reserves + Dividend Creditors - Accumulated Deficit); * 2020 – 2019) ÷ 2019 × 100

Al-Mansour Hotels Company through the following:

It is clear from table (1) that the Corona pandemic has affected the financial performance of

1) The rate of return on equity for the year 2019 was 19,307%, while there is no return on

equity for the year 2020 due to the impact of the pandemic and Corona, through which the company incurred a loss (1104193241) billion one hundred and four million one hundred and ninety-three thousand two hundred and forty-one dinars This led to the absence of a rate of return on equity, in addition, no percentage change was reached due to the loss.

2) The company achieved a rate of return on assets for 2019 of 13.689%. In the year 2020, the company did not achieve a rate of return on assets due to the loss incurred by the company, which amounted to (1104193241) one billion one hundred and four million one hundred ninety-three thousand two hundred and forty-one dinars, which led to the lack of Reaching a rate of change, and therefore the Corona pandemic had a significant impact on the financial performance of the company.

3) The net profit margin for the year 2019 was 14.091%, while there is no net profit margin for the year 2020 due to the impact of the pandemic and Corona, through which the company incurred a loss (1104193241) of one billion one hundred and four million one hundred ninety-three thousand two hundred and forty-one dinars, which led to that there is no net profit margin, in addition, no percentage change due to loss has been reached.

4) The company achieved a profit per share for 2019 at a rate of 25.906%. In the year 2020, the company did not achieve a profit per share due to the loss incurred by the company, which amounted to (1104193241) one billion one hundred four million one hundred and ninety-three thousand two hundred and forty-one dinars, which led to the failure to reach a percentage Changed due to the impact of the Corona pandemic on the company's financial performance.

5) The Corona pandemic clearly impacted the net operating profit margin. As a result, the company achieved a net operating profit margin for 2019 of 17.558%, while the ratio in 2020 was (21.360%) in the negative, with a decrease of (221.654%).

6) The asset turnover rate for the year 2019 achieved 97.143%, while the asset turnover rate achieved by the company for the year 2020 reached 48.993%, due to the loss incurred by (1104193241) one billion one hundred and four million one hundred and ninety-three thousand two hundred and forty-one dinars in light of the Corona pandemic and with a decrease rate amounted to (49.566%).

7) The company's equity multiplier for 2019 amounted to 141,038%, while it reached 153.718% in 2020 with an increase of 8,990%.

8) The company's net working capital for the year 2019 amounted to an amount of 2885338172 billion, eight hundred and eighty-five million one hundred and seventy-two dinars, while the net working capital for the year 2020 amounted to an amount of two hundred and seventy-five million four hundred and three thousand three hundred and twenty-three million dinars, and a difference of 709934849 seven hundred and nine One million nine hundred and thirty-four thousand eight hundred and forty-nine dinars, with a decrease of (24,605)%, and the reason for this decrease is due to the impact of the Corona pandemic.

9) The trading ratio for the year 2019 of the company amounted to 320,400%, while the ratio amounted to 259.558% for the year 2020, a decrease of (18,989)%, as this change is due to the impact of the Corona pandemic on the financial performance of the company.

10) The Corona pandemic had an impact on the quick liquidity ratio, as the ratio amounted to 309.290% in 2019, while the ratio amounted to 249,017% in the year 2020, with a decrease of (19,487)%, and thus the pandemic had a clear impact on the above indicator.

Conclusions and discussion

Most companies were not prepared for such a crisis from a technological point of view, and the development of human resources to deal with this pandemic, and as pandemic affected the financial performance of most companies, as well as the increased demand for loans granted by banks, to control the repercussions of this pandemic, as well as the decline in the financial performance of most Companies due to the Corona pandemic, according to the results of the financial performance indicators that have been studied.

1) The rate of return on equity index most affected by the Corona pandemic is the research sample for companies.
2) The index of the rate of return on assets most affected by the Corona pandemic for companies is the research sample.
3) The net profit margin index is the most affected by the Corona pandemic for the research sample companies.

The authors suggest the following:

Companies must invest in technology and develop human cadres more to prepare for such crises in the future, as well as to provide government support to companies affected by the pandemic through tax exemptions, the abolition of customs duties, and the provision of banking facilities from the Central Bank, as well as conducting more Future studies to measure the impact of the Corona pandemic on the financial performance of companies listed on the Iraqi Stock Exchange.

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