H6u the Effect of Corona Virus Outbreak on the Quality of Financial Reporting in Companies Listed on the Egyptian Stock Exchange "An Applied Study"

Muhammed Azzam Abd ElMeged
Assistant professor of accounting
Faculty of Commerce – South Valley University

Monzer Mohammad Ali Mohammed
Doctoral researcher,
Faculty of Commerce, Ain Shams University

Amr Salah Mohammed Abdullah
Master's Candidate,
Faculty of Commerce –
South Valley University

Hamdy Mohamed Abdelrady
Master's Candidate,
Higher School of Business and Economics.
Al-Farabi Kazakh National University

Abstract:-
Purpose: This study aims to measure the effect of the Corona virus outbreak on the quality of financial reporting in Companies Listed on the Egyptian Stock Exchange.

The study hypothesis states that: The first hypothesis: there is no statistically significant relationship between Corona virus outbreak and the quality of financial reporting. The second hypothesis: there is statistically significant relationship between Corona virus outbreak and the quality of financial reporting.

Design/methodology/approach: An Analytical Study: through the analysis of what was mentioned in books and periodicals, which deals with measures are analytical and that helps for obtaining information and evidence sufficient to enable him to carry out an analytical study for covid 19 and the quality of financial reporting? An applied study: The study population consists of the companies listed on the Egyptian Stock Exchange. The study population includes 91companies on EGX 100 for the period under study represented in 18 sectors of various activities and to provide a good representation of the various sectors and industries operating within the Egyptian economy. Data was analyzed using percentage, tables , correlation, regression techniques and with statistical package for social science (SPSS) was used to test the regression analysis was employed to measure the influence of Corona virus outbreak on the quality of financial reporting in Companies Listed on the Egyptian Stock Exchange at 95% confidence level.

Findings: The study results and statistical show that the quality of corporate financial reporting has been lower during the pandemic. Specifically, companies have engaged in greater earnings management through real business during the pandemic. Accordingly, to the previously mentioned results we cannot reject the null hypothesis " there is no statistically significant relationship between Corona virus outbreak and the quality of financial reporting." and the alternative hypothesis "there is statistically significant relationship between Corona virus outbreak and the quality of financial reporting" is rejected.

Keywords:- *Financial reporting, Earnings management, COVID-19.*

I. INTRODUCTION

The world is currently experiencing increased changes related to the arising Corona virus epidemic (Covid 19), and nations are jointly looking for to take precautionary and preventive steps to reduce the propagation of the virus and mitigate its effects. possibly the most important of the measures being taken to restrict its spread is to prevent direct contact and integration between humans as much as possible, as well as quarantine applications, including a travel ban. These and other measurements on their significance have had an effect on the business climate in all of the countries of the area, which has compelled a large number of professional organizations and international firms to measure and research the global economic effect that this virus has had for the financial systems of these countries.

Recent years have seen the emergence of rare occurrences of their kind across the nations of the world, starting in the developed world, moving on to the developing countries, and then continuing to expand throughout the majority of the world as a whole. The COVID-19 coronavirus epidemic has caused significant disruption to the economy of China and is rapidly expanding throughout the world. Due to the high level of unpredictability surrounding both the progression of the sickness and its effects on the economy, it is currently challenging for policymakers to evaluate the disease's influence on the viability of businesses.

The emergence of the virus in the Republic of China has had a significant impact on global commerce and investment. This virus has rapidly spread across various countries, leading to adverse effects on their economies. Notably, it has caused disruptions in global financial markets, affecting the trading of shares, documents, and investments in international stock exchanges. Furthermore, even small-scale projects with limited revenue have been impacted by this global crisis.

The ongoing coronavirus epidemic continues to present significant threats. An increasing number of nations have implemented travel restrictions affecting a significant portion of the population, while a growing number of individuals in various regions are being subjected to quarantine protocols.

Business enterprises often encounter financial losses and face challenges in maintaining their supply chains. The exposure of numerous organizations. vulnerabilities have been evident as a result of the disruption of global supply chains caused by factory closures. The outbreak has also resulted in considerable instability in global financial and commodity markets.

Preliminary indications demonstrate that this virus has exerted a substantial influence on the worldwide economy. Several governments have implemented measures aimed at offering both financial and non-monetary resources to support industrial sectors and companies that have been adversely impacted.

The upkeep of financial market efficiency is contingent upon the reliability of financial reporting, as various market participants, including investors, lenders, and regulators, heavily depend on data from financial reports to inform their decision-making processes. (Hsu, YL, 2022) A number of studies have reviewed the impact of the financial crisis by 2008 on the quality of financial reporting (Hsu, YL, 2022; Eng et al., 2019). Similar to the 2008 financial crisis, the outbreak of COVID-19 has resulted in substantial upheaval within financial markets and the worldwide economy. However, the precise ramifications of COVID-19 on the integrity of financial reporting remain uncertain at present. So far, Limited research has been conducted thus far to investigate the effects of the COVID-19 pandemic on the integrity and accuracy of financial reporting. The influence of financial crises on the integrity of financial reporting has yielded varied outcomes. Certain scholars posit that corporations would enhance the calibre of their financial reporting in order to mitigate information asymmetry and bolster investor confidence, a crucial factor particularly in times of financial turmoil. (Hsu, Y.L., 2022)

In response to the global spread of the pandemic, governments have implemented stringent measures aimed at mitigating the transmission of the disease and minimizing its societal consequences. Moreover, empirical evidence has demonstrated the existence of notable social and economic disparities among nations, prompting governments to adopt divergent policy approaches. While some of them have implemented strict social distancing and quarantine measures such as B. Restriction travel from abroad and freedom of movement within countries, have adopted some flexible measures, e.g., B. going outside as long as people maintain a reasonable distance (Oğuz, M., 2021). Numerous cultural, supportive, and athletic competitions have been either cancelled or rescheduled. Furthermore, governmental entities have implemented economic stimulus measures in order to mitigate the adverse financial and economic consequences. These policies have resulted in a variety of repercussions on day-to-day life as well as economic activity, and these affects vary depending on the socioeconomic levels of the countries involved. Accordingly, there are concerns about whether the coronavirus pandemic can trigger a social economic crisis in the future (Gormsen, N. J., 2020; Rinaldi, L., 2020).

However, other researchers claim that the quality of financial reporting is lower in times of financial crisis (Hsu, Y. L., 2022). For example, Persakis and Iatridis (2015) show that the quality of financial reporting declined during the 2008 financial crisis as companies managed their profits more to mitigate the negative impact of the financial crisis. Trombetta and Imperatore (2014), who use accrual-based measures and real earnings management (REM), also report that there is more earnings management when a financial crisis becomes more extreme.

In the era of COVID-19, companies that should provide useful information to their investors and other parties will certainly face challenges. It is very important for investors and other parties to obtain qualitative information more than ever. To reduce risk and uncertainty, it has become essential for companies in these uncertain times to produce timely, adequate, and transparent risk reports.

Multiple channels, including press announcements, management forecasts, conference calls, the company website, and annual reports, are utilized by businesses in order to maintain open lines of communication with their shareholders and other stakeholders (Oğuz, M., 2021). Users of financial data can better analyze how uncertainties and risks may influence them in the future with the assistance of annual reports. Although annual report financial statements include historical results, these reports become forward-looking by disclosing additional information about unforeseen events that affect the company's current and future position (Engbers, 2016). Disclosure by businesses is an extremely important factor in the efficient operation of financial markets within a market-based economy. Regulations governing corporate disclosure, such as the International Standards for Financial Reporting, offer companies a standardized set of guidelines that determine what information should be reported and how it should be given. (Oğuz, M., 2021).

II. LITERATURE REVIEW

Study of (Dwivedi et al ,2020) determine how much of an impact the COVID-19 pandemic is having on the management of information research and practice in order to transform education, work, and life The COVID-19 epidemic has prompted many organizations to undertake major changes, including reconsidering critical components of their company's workflow and the usage of technology, in order to maintain their business operations while complying to an ever-evolving environment of rules and new procedures. The research presented here provides an overall insight into many of the important issues and underlying difficulties confronting organizations and society from COVID-19 by looking at them from the standpoint of information technology and technological advancements. The opinions of twelve invited subject-matter specialists will be gathered and analyzed, and each will offer their own unique perspective on a variety of topics, including distance learning, digital planning, artificial intelligence (AI), managing information, social networking, cyber safety, big data, block chain, privacy, mobile technology, and strategy, viewed through the lens of the current crisis and its impact on these particular areas. The viewpoints of the experts provide timely insights into a wide range of themes, identify critical issues, and make recommendations for both theory and practice.

Study of (Lopatta et al., 2020) The objective of this inquiry pertains to the decision-making process regarding the dissemination of information pertaining to the Coronavirus. The study discovered that companies that promptly include information about the COVID-19 pandemic in the annual reports they file exhibit lower beta values, thereby elucidating the significance of regular disclosure in elucidating capital market responses during this period. The researchers categorized companies into two distinct groups based on their publication of annual reports either prior to or subsequent to March 11, 2020, which is consistent with the official notice made by the World Health Organization regarding the COVID-19 outbreak. The initial set of companies was referred to as early risk indicators and purportedly demonstrated the capacity to effectively mitigate the risks associated with the outbreak of the coronavirus pandemic. The researchers utilized the newly released 2019 annual reports of corporations that were listed in the primary stock market indexes of ten different countries. Additionally, the researchers postulated that the capacity of corporations to identify risks in a timely manner and integrate them into their annual reports was correlated with a decrease in risk (beta).

Study of (Sultana& Sen, 2021) intended to evaluate the effects that the COVID-19 pandemic might have on the reporting and disclosure practices of financial institutions.

Methodology of the study is COVID-19 pandemic is negatively impacting business. Therefore, every component of a company's operations may be broken down into one of these five primary categories: financial motorists, company activities, business contracts, business value, and stakeholders. One independent variable was chosen to represent each of these five primary activities. A structured survey was produced in accordance with the associated International Accounting Standards and International Financial Reporting Standards (IAS and IFRS) through an analysis of the numerous suggestions and recommendations of both international and local accounting authorities. Subsequently, the report was disseminated among accounting practitioners in Bangladesh who are presently involved in the tasks of financial statement compilation and auditing. The data were ultimately subjected to analysis through the application of structural equation modelling (SEM) in order to examine the theoretical association between the variable that is dependent and the independent variable.

This study elucidates the significant correlation between financial factors, business contracts, stakeholders, and financial reporting practices amidst the COVID-19 pandemic. Nevertheless, it is important to note that operations and operational significance do not exhibit a tangible correlation with accounting practices and reporting practices.

The study of (Sultana, R., et al, 2021) to examine the impact of COVID-19 on DFR practices in the context of Bangladesh. Additionally, the study was designed based on the theory of legitimacy that such disclosures in this pandemic impact organizational legitimacy. The COVID-19 pandemic has a negative impact on businesses. Therefore, each aspect of a company's operations has been broken down into one of five primary groups: financial drivers, company operations, contracts for business, and business value. Stakeholders complete out the list. These five main activities were considered as an independent variable. Subsequently, a structured questionnaire was developed based on EEE and related IFRS to reflect the real scenario of financial reporting practices in this pandemic period. Professional accountants who prepare and audit financial statements were surveyed for their opinions. A factor analysis with confirmation was performed on all of the following: financial factors, company activities, contracts of business, operating value, and stakeholders. to ascertain their individual factors and factor loads. The hypothesized association between both independent and dependent variables was then put to the test using SEM. During the current epidemic, results indicate that financial reasons, company contracts, and stakeholders all have a key role in influencing financial reporting practices.

This study Oğuz, M. (2021) examines whether providing information about the coronavirus pandemic is evaluated in annual reports to see whether or not businesses are reacting to this pandemic and, if so, how they are doing so. this plays a significant role in explaining yearly reports. For this, the study that was conducted by Lopatta et al. (2020) is used as the foundation for an analysis of the written materials of the 2019 yearly reports of firms.

Companies ought to have done more to educate their users of financial information about the pandemic caused by the coronavirus. As for the 2019 annual reports, the companies are not disclosing enough information on one of the great events of this century. According to IFRS, it's of the utmost importance for a business to present information regarding its finances that is of a high quality. Increasing a company's worth requires both the early identification of potential dangers and prompt action in the event of an emergency. In addition, adopting this mentality will result in their being more open and specific.

The results of this study do not confirm the predicted impacts. After reviewing annual reports, it was discovered that just 14 of the 100 corporations made reference to the coronavirus pandemic forty times in their respective annual reports. This indicates that 14% of the businesses in the sample discuss corona hazards in their 2019 annual statements, having an average mention frequency of 0.4 times across the reports. One of the businesses in the sample makes reference to the coronavirus crisis 17 times in its 2019 yearly report, whilst the other businesses in the sample include no mention of COVID-19. The companies in the sample are found to face increased equity risk.

Study of (Oğuz, M.C. ,2021). Explore the significance of comprehensive financial reporting during the COVID-19 pandemic using the empirical evidence from the Borsa Istanbul. The outbreak of COVID-19 was classified as a pandemic by the World Health Organization on March 11, 2020. The actions that were made in response to this outbreak had a significant impact on both our day-to-day lives and the economic activity of people all over the world. In addition to this, the outbreak has had an effect on the practices of corporate financial reporting. In this time of uncertainty, comprehensive financial reporting plays a vital role in providing quality financial intelligence. In times of uncertainty, it is of the utmost importance for a business to raise their level of transparency as well as a report should be made on the impact of any potential dangers. In addition, financial markets may respond to COVID-19 in the exact way as they have in the past in response to big events such as catastrophes, adverse news, and ecological and political problems. The purpose of this study is to evaluate whether or not businesses who include information on the COVID-19 epidemic in their financial reports serve a part in explaining the reactions of the stock market and, if so, how. In order to accomplish this, the financial statements of the Turkish firms that are reflected in the BIST-100 index are analyzed in order to ascertain whether or not there is a connection between the earliest disclosure of COVID-19 and the risk posed by stock market.

Study of (McKibbin& Fernando, 2021) aimed to measure the global macroeconomic impacts of COVID-19: There are seven distinct scenarios. The emergence of the COVID-19 virus has caused significant disruptions in the Chinese economy and has subsequently spread to various regions worldwide. The trajectory of the illness and its economic ramifications are characterized by a significant degree of uncertainty, thereby posing challenges for policymakers in devising a suitable macroeconomic policy intervention. In order to enhance comprehension of the potential economic ramifications, this study examines seven distinct scenarios regarding the future progression of COVID-19 within the upcoming year. These scenarios are analyzed through the utilization of a modelling technique initially devised by Lee and McKibbin (2003). Using a worldwide mixed dynamically sequential general equilibrium along with calculable general equilibrium (CGE) model, this study explores the consequences of numerous scenarios on the economy and financial markets.

Scenarios presented in this document show that even a contained epidemic shall have a significant effect on the world economy in the short term. These scenarios exemplify the extent of the expenses that could be mitigated through heightened allocation of resources towards public health systems across all economies, with a particular emphasis on less developed economies characterized by inadequate health systems and high population density.

Study of (Hsu& Yang, 2022) This paper examined the potential effect of the COVID-19 pandemic on the standard of corporate financial reporting, as well as the potential mitigating impact of corporate governance. Based on an analysis of data obtained from UK-listed companies, our study demonstrates a discernible decline in the standard of financial reporting by these entities amidst the ongoing pandemic. During the pandemic, companies have actively employed earnings management strategies through genuine business activities. Additionally, our findings indicate that the presence of a larger board can effectively alleviate the adverse consequences of the COVID-19 pandemic on the integrity of financial reporting. However, it is important to note that we did not observe any beneficial impacts on board independence along with dualism. CEOs. This document presents supplementary information regarding the influence of the COVID-19 pandemic on the standard of financial reporting, within the context of a robust governance framework implemented at a national level. In light of the COVID-19 epidemic, this study is the first of its kind to investigate the influence that corporate governance has on the dependability of financial reporting. The findings of this study introduce valuable recommendations for practical application.

The study of Hsu, Y. L. and Yang, Y. C. (2022) Investigate the moderating effect that good company governance has on the outstanding level of financial reporting that occurred during the COVID-19 epidemic. When we look at how corporations actually manage their earnings, we discover that the accuracy of financial reporting during the epidemic is weaker than it was before. This could be due to the fact that businesses are employing actual earnings management as a strategy for surviving the crisis or preventing further negative investor reactions.

Researcher came to the conclusion after examining all earlier studies that:-

- The limited number of studies that have been undertaken into the impact that the Corona virus outbreak has had on the caliber of financial reporting of companies that are traded on the Egyptian Stock Exchange.
- The majority of research have concentrated on the economic effects of the spread of Coronavirus in general, rather than concentrating on the effects of the virus on financial reports in particular.
- This study makes significant additions, both to the existing body of knowledge and to current clinical practice. To begin, this document offers supplementary information regarding the effect that COVID-19 has had on the accuracy of financial reporting. At the moment, just a few investigations have been conducted on this subject, and no of them have examined this subject in sufficient depth to assist us in gaining a deeper comprehension of the standard of financial reporting provided by companies throughout the COVID epidemic -19. In addition to that, this research provides practitioners with some helpful recommendations. For instance, our findings show that lenders and investors need to exercise extra vigilance when assessing the results of financial reports during this time period. These findings demonstrate that actual management of earnings has grown throughout the pandemic.

III. STUDY PROBLEM

The global community has witnessed numerous crises and collapses in regions like East Asia, Latin America, and Russia. Notably, several prominent corporations, including Enron, an energy company, and World Com, a telecommunications company, have experienced significant defaults. These incidents have been attributed to the alleged involvement of external auditors, which has been linked to the occurrence of scandals, collapses, and epidemics. The global landscape has witnessed numerous crises and collapses in regions like East Asia, Latin America, and Russia. Notably, several prominent corporations, including Enron, an energy company, and World Com, a telecommunications company, have experienced significant defaults. These incidents have been attributed to the alleged involvement of external auditors, which has contributed to the emergence of scandals, collapses, and epidemics in these contexts.

According to a report published by the International Monetary Fund (IMF) in 2020, the COVID-19 pandemic has triggered a widespread economic crisis that has the potential to become considerably more severe than the global financial crisis, or GFC, that occurred in 2008. One of the earliest effects of the epidemic on the exchange rate system is the severe depreciation of these EMEs' respective currencies in comparison to the US dollar. (Grage, 2021).

The study of (Guanming, 2019& Sury, 2019 & Ibrahim, 2020) proofs that the presence of fraudulent activities in numerous organizations and widespread epidemics has led to a decline in public trust in financial reporting, consequently impacting investor participation in the securities market. This has resulted in identified shortcomings in the quality of financial reporting.

As a result of the debate up to this point, the primary difficulty can be stated as follows:

Inadequacies exist in the integrity of financial reporting resulting from many factors one of them epidemics appearance.

The research problem can be summarized on the following questions: -

Does Corona virus outbreak effect on the quality of financial reporting?

➢ *Study Objectives*

This study aims to measure the effect of the Corona virus outbreak on the quality of financial reporting.

➢ *Study Hypotheses*

The hypotheses are based on the theoretical part of the study as follows:

- **The first hypothesis:** there is no statistically significant relationship between Corona virus outbreak and the quality of financial reporting.
- **The second hypothesis:** there is statistically significant relationship between Corona virus outbreak and the quality of financial reporting.

IV. METHODOLOGY

- **An Analytical Study:** By an analysis of what was discussed in published articles and periodicals, which deals with analytical measures and that assists for acquiring knowledge and proof sufficient to enable him to carry out an analytical study for COVID 19 and the quality of financial reporting?
- **An applied study:** The study population consists of the companies listed on the Egyptian Stock Exchange. The study population includes 91companies on EGX 100 for the period under study represented in 18 sectors of various activities and to provide a good representation of the various sectors and industries operating within the Egyptian economy. The data was subjected to analysis using percentage calculations, tabulation, and Spearman rank order correlation techniques. Additionally, the statistical software package for social science (SPSS) was utilized to conduct regression analysis in order to assess the impact of the Corona virus outbreak on the quality of financial reporting. The analysis was conducted at a confidence level of 95%.

V. RESEARCH STRUCTURE

- **Introductory section:** introduce introduction, the literature review, the study problem, the study objectives, the hypotheses, methodology and the research structure.
- The first section deals with the Theoretical background
- The second section deals with the applied study.
- The third section deals with conclusions, findings, recommendations, and future studies

A. The first section: -Theoretical background

➢ *COVID-19*

COVID-19 is an infectious ailment that arises from the novel coronavirus SARS-CoV-2 (2019-nCoV), which garnered recognition subsequent to its emergence in Wuhan, China, in December 2019. The COVID-19 outbreak was officially declared a pandemic by the World Health Organization (WHO) on March 11, 2020. Since that time, this unprecedented global health crisis has impacted over 20 million individuals and resulted in a staggering death toll of over 700,000 worldwide (John Hopkins University, 2020).

Concerns about the global health, financial, and economic catastrophe were raised as a result of the pandemic. This pandemic process has been given the name "the Great Blockade" by (IMF), which has forecast that this will be the most severe crisis since the Great Depression and will be much more severe than the Global Financial Crisis. (Oğuz, M, 2021). The consequences of the coronavirus, which is being called a "once in one century pandemic," are expected to continue for decades, as stated by the (WHO). (Gates, 2020; Reuters, 2020).

In late December 2019, medical professionals in Wuhan, China initiated the process of gathering data pertaining to multiple medical cases exhibiting comparable symptoms. Towards the conclusion of 2019, Chinese authorities made public the occurrence of an outbreak resembling pneumonia and initiated the process of identifying a previously unknown strain of coronavirus associated with the reported cases. In mid-January 2020, as the Lunar New Year's banquet tradition was observed in Wuhan, a city located in Hubei province, a significant surge in infections commenced. As of January 23, a total of over 600 cases had been officially verified, prompting the implementation of social distancing measures and, in certain instances, quarantine protocols in Wuhan and other regions of China.

By April 2, 2020, the disease had spread to almost every corner of the world. The number of confirmed cases involving the novel coronavirus now called "SARS-CoV-2" - which causes the respiratory illness now called "coronavirus disease 2019" (COVID-19) - has surpassed 1,000,000 worldwide, there is widespread consensus that the actual number is likely significantly greater due to lags in testing and complete reporting in a great number of nations. (WHO) officially designated COVID-19 as a pandemic on March 11, and not long after that, the United States government designated the COVID-19 outbreak as a national emergency.

As of the second of April 2020, data from (WHO) indicates that around 170 countries/regions have documented at least one confirmed case of the ongoing global health crisis. Furthermore, the number of deaths reported worldwide has reached nearly 53,000. In order to mitigate the transmission of the virus, numerous countries across the globe as well as several states and cities within the United States have implemented "shelter-in-place" or "stay-at-home" directives. Certain markets that demonstrated early detection and effective treatment of the virus are currently considering the possibility of gradually relaxing their quarantine measures. Several entities that initially relaxed their restrictions have subsequently reversed their decisions upon observing a resurgence in the number of confirmed COVID-19 cases. It is imperative to acknowledge that the reported incidence of any given disease frequently underestimates the true prevalence of cases. As a consequence of this, the sum of reported infections often keeps climbing even after the total number of newly diagnosed cases begins to decrease. One of the most significant factors that sets some countries apart from others is the rate at which testing, and identification procedures have become more widespread among their citizens.

The global community is increasingly concerned about issues related to health, death, and economic concerns. The impact that limitations on travel and shipping have had on a contemporary and connected global economy has had an amplifying effect on the logistical and financial markets as a result of the outbreak. The financial markets have been extremely volatile as a result of the release of new information regarding the economy, the implementation of new monetary policies, and the constant influx and ebb of value and opportunity in favor of investors. Because many of the world's largest manufacturers have grown closer across continents, international operations' supply chains are also significantly impacted. As a result of the global economy adjusting to new, lower levels of activity, unemployment rates have begun to increase.

In early April 2020, this resulted in a confluence of risks. Additional operational and financial risks may emerge as further events aggravate the current situation. The global economy is deteriorating terribly due to the COVID-19 pandemic. Precautionary measures such as indefinite shutdowns, social distancing, travel restrictions and repetitive lockdown announcements had an instant negative impact on the business. Because the recession will affect everyone involved, including creditors, shareholders, consumers, financial service providers, the government, and staff members, these stakeholders are currently looking for disclosures to gauge the financial consequences of this global pandemic. This type of economic chaos will certainly have adverse effects on society. Timely and relevant disclosure will help them make key decisions in this time of crisis (Sultana, R., et al., 2021).

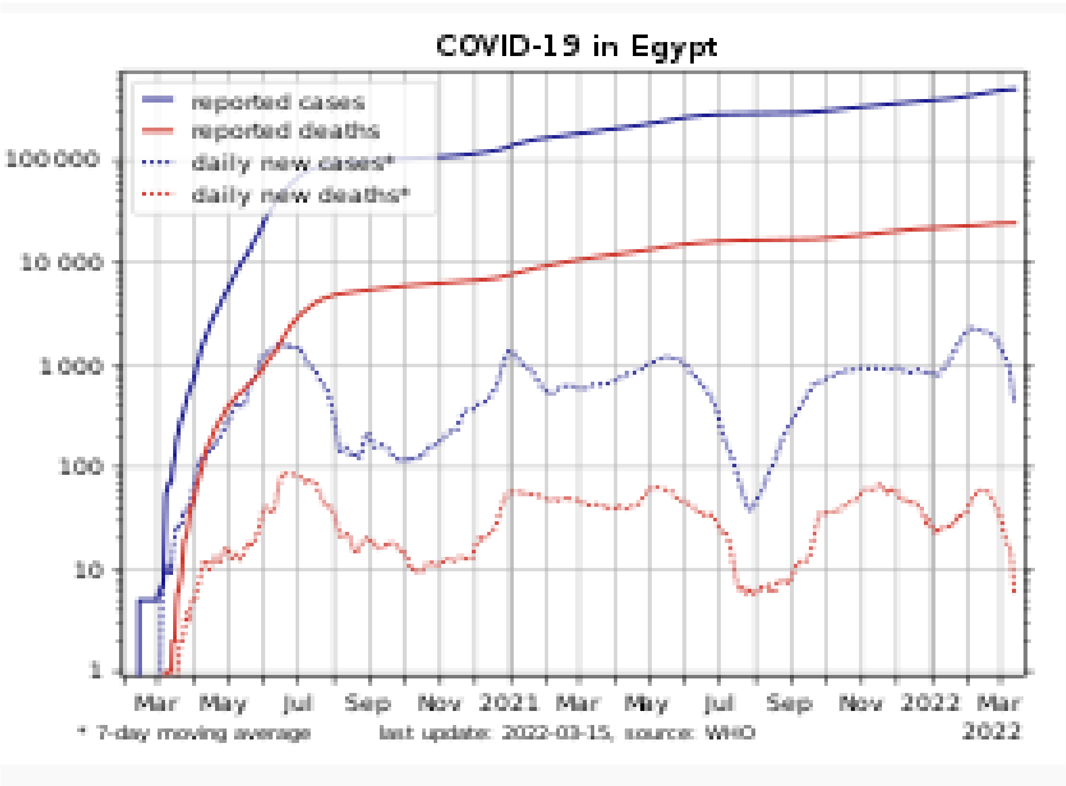

Fig. 1: COVID-19 in Egypt
Source: https://ar.wikipedia.org/wiki/%D8%AC%D8%A7%D8%A6%D8%AD%D8%A9_%D

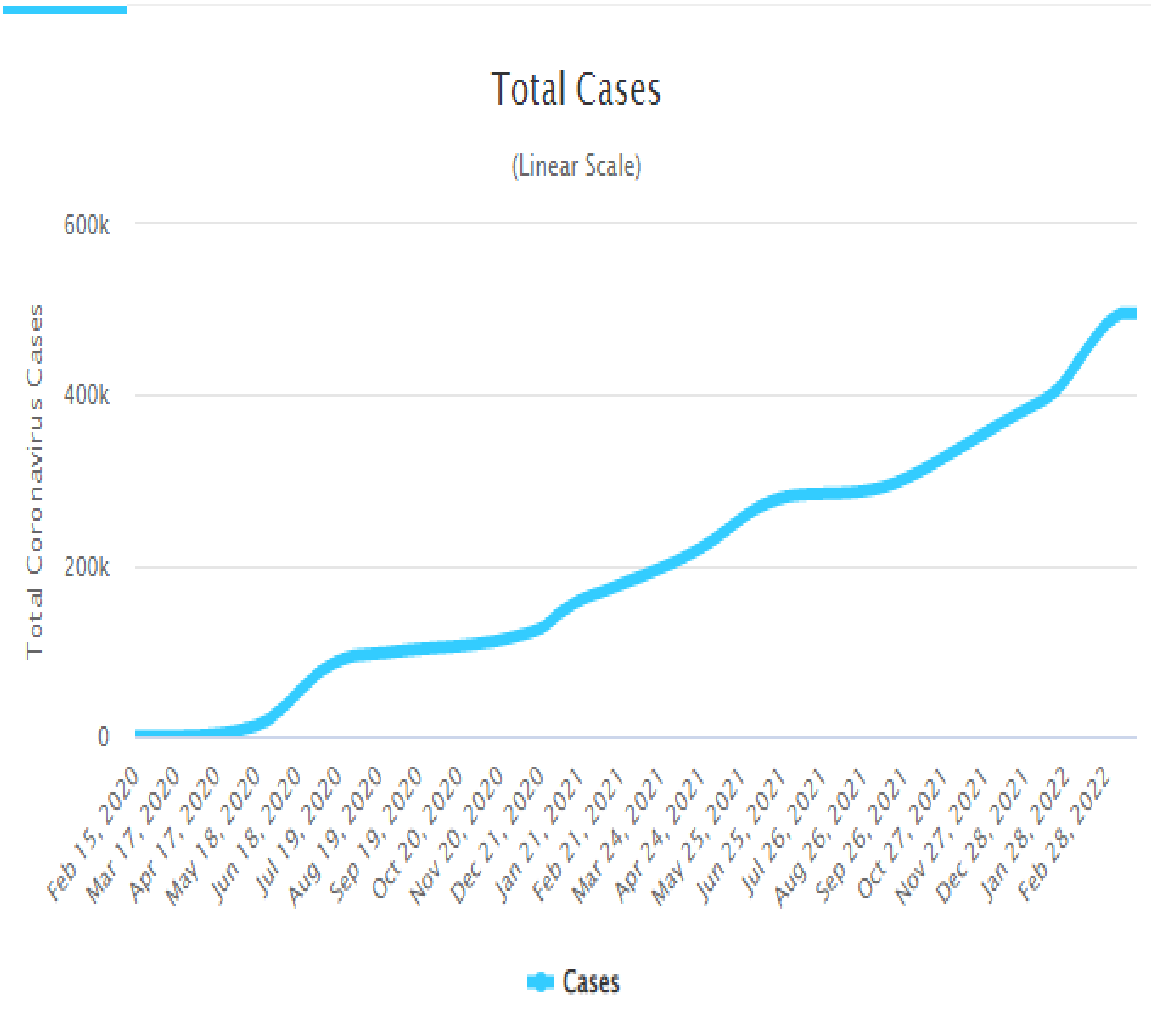

Fig. 2: Total Cases

Source: https://www.worldometers.info/coronavirus/country/egypt/#graph-cases-daily

➢ *The quality of the financial reporting and its measurement methods*

Recent research in the areas of accounting and finances has been devoting more and more attention to investigating the issue of financial reporting quality. One of the primary goals of the numerous research that have been conducted on this topic is to locate an adequate measurement for the level of quality of financial reporting. For this reason, it is essential to have an understanding of the quality of financial reporting as well as the means by which it can be explained and quantified (Achim & Chiş, 2014, P.94).

The term of financial reporting quality encompasses various definitions that are widely acknowledged. These definitions exhibit significant variation across individuals, projects, companies, and organizations, and are contingent upon the intended uses for which the financial data will be employed.

The concept of financial reporting quality encompasses a wider scope, encompassing not only financial information but also other than financial data that is included in the report and is valuable for decision-making purposes. Financial reporting quality is defined in terms of decision usefulness as “information about the reporting entity that is useful to present and potential equity investors, creditors and other lenders in making decisions in their capacity as capital providers”. (Beest et.al, 2009, P.4)

Chartered Financial Analyst Institutes defined high standard financial reporting quality encompasses the comprehensive financial reporting, including disclosures, that leads to a balanced depiction of a company's operations, encompassing both earnings and cash flows, as well as its financial position. (Hasan &Omar, 2016, P.7)

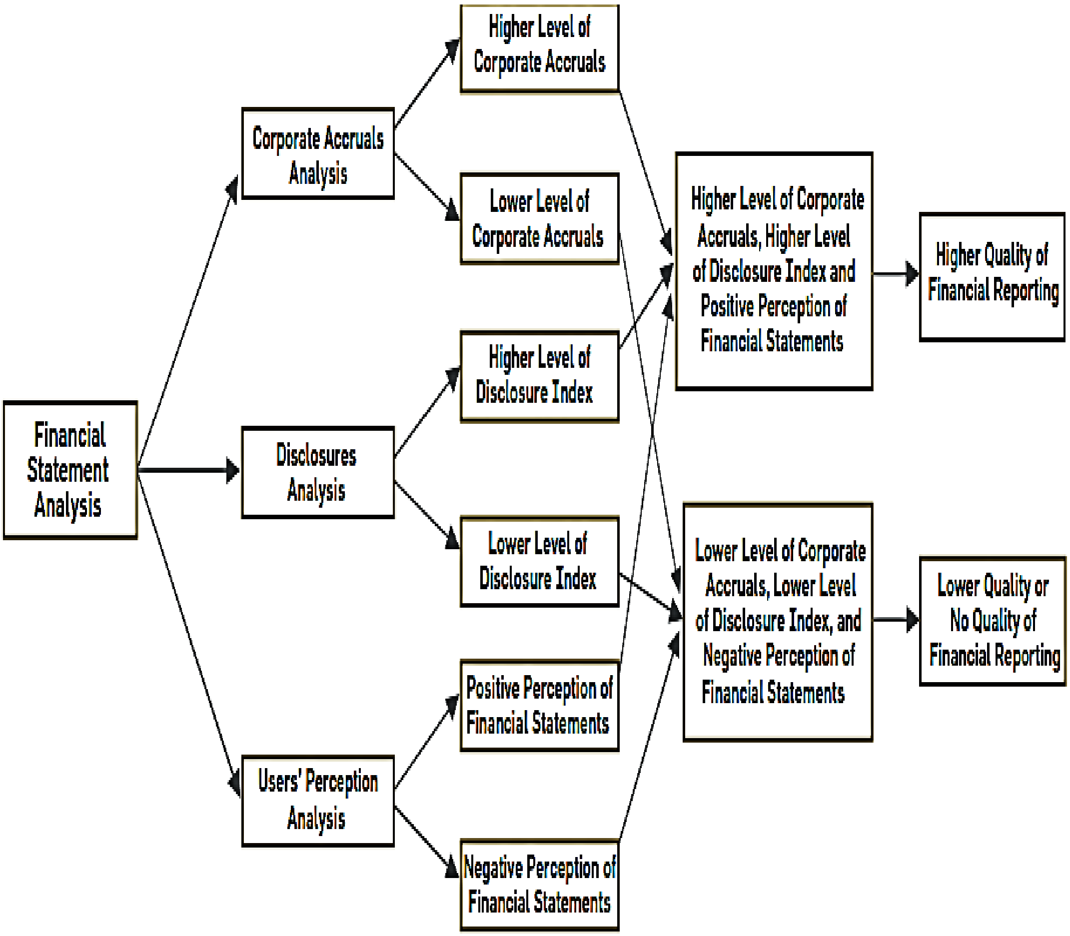

Fig. 3: Framework for the quality of corporate financial reporting

Source: Hasan, M. S., & Omar, N. (2016, P.8)

From the above figure the researcher concluded that there are different measurements methods have been used to assess the quality of the financial reporting such as corporate accruals (non-discretional accruals), disclosure analysis and user's perception analysis. An elevated level of business accruals, coupled with comprehensive disclosure analysis and users' perception, contributes to an enhanced quality of financial reporting. However, this is matched by a decrease in the total amount of accruals made by the company. It was discovered that the examination of disclosure procedures and the impression of users had an adverse effect on the accuracy of financial reporting.

This figure ignored discretional accruals (Earning management) as a measure for the quality of the financial reporting. The researcher suggests that discretional accruals are the best measure for the quality of the financial reporting, because through it the earnings management can be avoided through determining the level of discretional accruals. When there is a lower level of discretionary accruals, the quality of financial information is higher, and the opposite is true when there is a higher level.

"Studying the literature, we can see that on the one hand, accounting quality can be seen as the precision with which the financial reports convey information to equity investors about the firms expected cash-flows. On the other hand, reporting quality refers to the extent to which financial reports of a company communicate its underlying economic state and its performance during the period of measurement".(Achim & Chiş, 2014, P.94)

Verdi, (2006,P.2) defined financial reporting quality refers to the degree of accuracy and reliability in which financial reporting communicates pertinent information regarding a company's operations, specifically its anticipated cash flows, with the intention of providing valuable insights to equity investors.

McDaniel et al., (2002) tried to define the financial reporting quality in terms of decision usefulness as "information about the reporting entity that is useful to present and potential equity investors, lenders and other creditors in making decisions in their capacity as capital providers".

Gamayuni (2018, P.48) define high satisfactory financial reporting can be defined as financial reporting that not only creates helpful information for users but also satisfies the characteristics of quality financial information. It is clear that the objective of reporting on government finances is to offer meaningful information to users in order for them to evaluate accountability and make economic, social, and political decisions that are in their best interests.

➢ *Previous Studies on the quality of financial reporting*

This study Assad, N. F., et al 2020 analyze the influence of financial reporting quality and auditing on the effectiveness of investments in the economies of the Gulf Cooperation Council (GCC). This study also investigated the potential mediating role of auditor quality in the relationship between the quality of financial reporting and efficiency in investment. The external auditor is one of the mechanisms of corporate governance, particularly essential with regard to the principle of disclosure. Records from this study comprise of businesses listed in GCC, with a total of 150 company-years of observations. The findings of the research indicate a statistically significant and positive correlation among the caliber of financial reports and the effectiveness of investment activities. Audit quality has been found to have a positive direct impact on investment, as well as a moderating effect.

This study of Habiba Al-Shaer 2020 Explains that companies whose sustainability reporting appears to be of high quality tend to be less inclined to carry out earnings management activities, which results in more transparent and reliable financial reporting than companies that do not perform high results regarding quality sustainability reports. We also examine whether the relationship between sustainability report quality and post-audit financial report quality is contingent on audit efforts. The results of an analysis using data gathered from the FTSE 350 index from 2007 all the way through 2018 reveal that companies that generate sustainability reports of a high quality are highly related with profit management measures, but in a negative way. More crucially, this link is controlled by audit efforts, which are evaluated by audit fees, demonstrating that the quality of reporting on sustainability reflects aspects examined by auditors in the course of their audit risk evaluation practices. The robustness of these findings is upheld following multiple sensitivity analyses. Based on my analysis, it can be inferred that organizations that allocate greater resources towards the creation of comprehensive sustainability reports are more inclined to exhibit a general dedication to excellence, thereby mitigating auditors' apprehensions regarding the potential manipulative utilization of such reports. The implementation of sustainable practices not only promotes environmental responsibility but also mitigates potential risks faced by businesses. Minimizing the workload of auditors in the process of examining financial reports.

The study Almaqtari, F. A., et al 2021 This study investigates how various corporate governance methods affect the quality of financial reporting in accordance with Indian GAAP and Indian Accounting Standards (Ind. AS). We take a representative sample of all 97 enterprises that are traded on the Mumbai money market. Mechanisms of corporate governance were taken into account as independent variables, while the quality of financial reporting was taken into account as the dependent variable. The measurement of corporate governance encompasses various factors, including the effectiveness of the board (in terms of size, independence, diligence, and expertise), the attributes of the audit committee, the presence of foreign ownership, and the quality of audits. Descriptive statistics, correlation analysis, and ordinary least squares (OLS) regression are employed to estimate the outcomes. The study's results show that the board of directors' qualities and the audit committee's qualities, except for the audit committee inspection, have a big effect on the integrity of financial reports. The impact of board diligence and audit committee quality, but audit quality has an important influence. The conclusions of the study have important repercussions for governmental regulators and policymakers, as well as for managers, investors, analysts, and scholars. conformity with the (Ind. AS) should get a greater amount of attention, and an inspectorate that verifies conformity therewith the Ind. AS should be developed.

The study Abed, I. A., et al 2022 The banking sector plays a crucial role in the economic framework, facilitating the expansion of financial capabilities for individuals, organizations, businesses, and nations globally. The financial reports of banks encompass the presentation of accounting activities, wherein it has been disclosed through pertinent documentation that the utilization of creative accounting exerts a substantial influence on the overall quality of said financial reports. However, Prior research has suggested that the influence of factors related to creative accounting on the integrity of financial reporting is minimal. However, there is currently a growing interest among researchers in exploring the concept of financial reporting quality. The present study investigates the possible benefits of social responsibility in business, also known as CSR, on enhancing the significance of factors that influence innovative accounting procedures and the general standard of financial reporting in the business of commercial banking is the subject of this study. The research method employed for accomplishing the objectives was a deductive approach utilizing a survey questionnaire. Hence, the researchers employed purposive sampling as a method to gather data from a sample of 364 employees working in commercial banks in Iraq. The response rate achieved was 72.8%. The data underwent statistical analysis using SPSS v.25 software. The findings indicate that the presence of corporate social responsibility has a notable impact on the relationship between the factors influencing accountancy and the comprehensive quality of reporting on finances in the banking industry, ultimately leading to competitive advantages.

This study Lu, J., Liu, Y., et al 2022 examines the relationship between the turnover of financial controllers and the quality of financial reports of public companies. Within the unique institutional framework present in China, it is mandated that financial controllers, CEOs, and CFOs affirm the precision and comprehensiveness of company annual reports. Through our analysis, we have observed a negative correlation between the turnover of financial controllers and the quality of financial reporting, (b) The correlation between turnover of financial controllers and reporting quality is notably stronger in non-public companies and businesses in weaker corporate governance structures, c) the turnover of financial controllers is not linked to the management of real earnings. Other analyzes show that the impact of successive retractions of the financial statements and enforcement actions conducted by the Chinese Securities and Exchange Commission is connected with the turnover of financial controllers. It is possible to view the turnover of monetary controllers as a forerunner to a decline in the caliber of financial reporting because it occurs before the turnover of executives and also comes before the turnover of the financial controllers. In addition to the information content regarding senior management vacancies, this contains information regarding turnover. According to the findings of our analyses, businesses in which financial controllers are responsible for making sales also have greater early returns, but their long-term performance is worse than that of their competitors.

- *Analysis of previous studies reveals the following:*
  - Previous studies did not deal with the income measures as tools to refine the quality of financial reports.
  - Past studies did not deal with the relationship between Corona virus outbreak and the quality of financial reporting.

This is a need to develop accounting standards because it is one of the conditions that must be met to achieve the quality of financial reports because the accounting standards provide freedom to choose the alternatives for accounting policies and sometimes management misuse that opportunity to manipulate profits or make earning management.

In fact, the quality of the financial reporting has a great importance to the users because it enables them to make their rational decisions for investment. Therefore, the proposed comprehensive income model must meet the qualitative characteristics of the information as part of the characteristics of the quality of financial reporting, which is explained in the next section.

There are different measurements methods that have been used to assess the caliber of the accounting data that was suggested by the particular investigations that were conducted to measure the integrity of the financial reports. There are two trends to measure the quality of financial reports the first trend is to measure the quality of financial reporting in terms of the qualitative characteristics (direct method) and the second trend is to measure the quality of financial reports based on income quality indicators (indirect method). (Abdelhamid, 2012, P.96)

- *The direct method of measuring the quality of financial reporting*

A large number of scholars are attempting to quantify the quality of financial reporting in an indirect manner by concentrating on factors that are thought to have an effect on the quality of financial reporting. These factors include returns administration, financial adjustments, and relevancy (Beest et.al, 2009, P.3).

Both the FASB and the IASB (2008) make it clear that one of their primary goals is to develop an all-encompassing assessment instrument that can be used to evaluate the level of financial reporting while also taking into consideration all aspects of usability. Because of this, the financial reporting information (IASB, 2008) of these properties determines the utility of decision because this measurement tool takes into account all qualitative characteristics.

The fundamental qualitative attributes, namely relevance and faithful representation, hold significant importance as they dictate the substance of financial reporting data. Improving the qualitative characteristics, namely comprehension, comparison, verifiability, and timeliness, can enhance the usefulness of decision-making, provided that the fundamental qualitative characteristics have been established. Nevertheless, their ability to assess the reliability and accuracy of financial information is limited. IASB (2008).

Gamayuni (2018, P.48) stated the dimensions of the following qualities contribute to the quality of financial reporting: (1) relevance; (2) reliability; (3) comparability; and (4) understandability. The individual articulated the various factors that exert an influence on the quality of financial reporting. These factors include: (1) compliance to accounting principles in the preparation of financial statements, in addition to the commitment to supervise the execution of an internal control system and the careful assessment of findings from the Auditing Agency; and (2) the presence of robust internal control mechanisms that enhance the accuracy and reliability of financial statements, (3) Taking action in response to the findings of the financial audit or recommendations made to promote the system of internal control (Gamayuni, 2018, P.47).

- *The indirect method to measure the quality of financial reporting*

Earnings quality is defined as “the degree to which reported earnings capture economic reality, in order to appropriately assess a company’s financial performance” (Krishnan & Parsons, 2008).

For assessing the quality of financial reporting, the most commonly used method types in the previous literature, namely accrual models, value relevance models, Accrual models are employed for the purpose of quantifying the degree of earnings management within the framework of prevailing rules and regulations. These models are predicated on the assumption that managers employ discretionary accruals. The manager has the responsibility to exercise control over the accumulated interest in order to manage earnings (Beest et.al, 2009, P.6).

The correlation between the quality of earnings and the quality of discretionary accruals, which are accruals determined by managers, is evident. The presence of elevated discretionary accruals indicates a potential decrease in the quality of gains, whereas reduced discretionary accruals may illustrate an enhancement in the quality of gains. The extent to which discretionary accruals are utilized significantly impacts the quality of financial reporting (Hasan &Omar, 2016, P.6).

Accruals can be divided into two categories: those that are discretionary and those that are not. The vast majority of academics employ a variety of approaches to quantify the quality of accounting reporting. Tang (2008) created quality indicators that relate to five areas of financial reporting: the loss avoidance ratio, the profit decline avoidance ratio, the accruals ratio, the qualified audit opinion ratio, and the non-Big 4 auditor ratio. (Hasan &Omar, 2016, P.6).

➢ *ACCRUALS MODELS*

- **Jones model (1991)**
  $NDAt= \alpha1\ (1/At\text{-}1) + \alpha2\ (\Delta REVt/At\text{-}1) + \alpha3\ (PPEt/\ At\text{-}1)$

Where:

NDAt is nondiscretionary accruals in year t scaled by lagged total assets.

ΔREVt is revenues in yeart less revenue in yeart-1.

PPEt is gross property plant and equipment at the end of year t-1.

At-1 is total assets at the end of year t-1; and

α1, α2, α3 are firm- specific parameters.

- **The modified Jones Model, Deshow et al (1995)**
  $NDAt= \alpha1\ (1/At\text{-}1) + \alpha2[(\Delta REVt - \Delta RECt)\ /At\text{-}1] + \alpha3\ (PPEt/\ At\text{-}1)$

Where:

ΔRECt is net receivables in year t less net recoverable in year t-1 and the other variables are as in the previous equation.

- **Bartov and Tsui (2000) Industry Model**
  $NDAt = \beta1 + \beta2 medianj\ (TAt\ /\ At\text{-}1)$

Where:

NDAt is non-discretionary accruals in year t scaled by lagged total assets; medianj (TAt / At-1) is the median value of total accruals in year t scaled by lagged total assets for all non-sample firms in the same two- digit standard industrial

- **Dechow and Dichev (2002) Model**
  $\Delta WC = \alpha + \beta0 + \beta1OCFt\text{-}1 + \beta2OCFt + \beta3OCFt{+}1 + \epsilon t$

Where:

ΔWC is a measure of accruals indicates a change in working capital.

OCFt-1is operating cash flow for the previous year.

OCF tis operating cash flow for the current year.

OCFt+1is operating cash flow for the next year.

∈t Estimated error that represents discretionary accruals.

B0,β1,β2 parameters; α: constant.

- **Santanu Mitra (2002) Model**
  $CACCit\ /TAit\text{-}1 = \beta0i + \beta1i[(\Delta REVit - \Delta RECit)/\ TAit\text{-}1] + \beta2i](\Delta COGSit + \Delta INVit)/\ TAit\text{-}1] + \beta3i(\Delta OCFit/\ TAit\text{-}1) + \epsilon it$

Where:

CACCit :total current accounting accruals for firm i in year t.

TAit-1 :total assets of firm i at the beginning of year t.

ΔREVit:change in revenues of firm i in year t from year t-1.

ΔRECit: change in accounts receivables of firm i in year t from year t-1.

ΔCOGSit: change in cost of goods sold of firm i in year t from year t-1.

ΔINVit: change in inventory in year t – change in inventory in year t-1.

ΔOCFit: change in operating cash flows of firm i in year t from year t-1.

∈it = Error term for firm i in year t (proxy for discretionary accruals).

(∈it) is expressed about the amount of error in the quality of the financial reports (discretionary accruals). To calculate this amount, it is necessary to find CACCit that expressed about the amount(discretionary accruals) that can be calculated by the following equation.

$CACCit = [(\ \Delta CAit - \Delta Cashit)] - [(\Delta CLit - \Delta CLDit)].$

Where:

ΔCAit :change in current assets for firm i in year t.

ΔCashit: change in cash for firm i in year t.

ΔCLit :change in current liabilities for firm i in year t.

ΔCLDit :change in the current portion of long-term debt for firm i in year t.

The researcher relies on Santanu Mitra (2002) model which contains working capital (current accruals) CACCit in the calculation of discretionary accruals as an indicator of the quality of financial reports where it is a measure of earning management and manipulation through management. This model includes all the changes that represent management manipulation tools such as a change in revenues, changes in the cost of goods sold, changes in inventory and other changes that are considered an area of management manipulation. ACCAC reflect the current accrual that result from the choice or discretional accrual, and it represent percentage from total current accruals that cannot explained through variables in regression equation .(∈it) represent residuals or errors expressed by the quality of financial reports.

According to Ahmed (2016) the researcher can rely on the discretionary accruals instead of the total accruals because the most complicated things are classifying the total accruals to discretionary and non-discretionary. The contents of the non-discretionary reflect the working conditions such as growth rate and the flow of operational operations that lead to appear accruals while discretionary accruals reflect only the management choices, so we consider the discretionary accruals are the best proxy for earnings management.

- **The impact of the Corona virus spread on the financial reports' quality**

COVID-19 will undoubtedly impact the fair value measurement of specific items in financial statements necessitates consideration of potential adjustments, which are contingent upon the timing of the effects on the fair value of said items. In the process of evaluating fair value, it is imperative for management to take into account the relevant information and conditions that were present on the valuation date and were either known or reasonably known to the involved parties. Consequently, it is imperative for management to evaluate the data accessible as of the reporting date in relation to COVID-19 in order to ascertain if said information could have influenced the amount that either party might have been inclined to consent to for this transaction.

During the process of preparing financial statements, it is imperative for management to evaluate the entity's capacity to sustain its operations as a going concern. Financial statements are typically prepared assuming that the entity will continue its operations in the foreseeable future, unless there is an intention by management to wind up the entity. This would occur when the entity ceases its operations, undergoes liquidation or dissolution, and subsequently redistributes its net assets. Alternatively, ceasing trading or adopting an alternative course of action may not be a viable option. In instances where management deems the utilization of ongoing business accounting to be unsuitable given the prevailing circumstances, it may be obligatory or discretionary for them to formulate the financial statements using an alternative basis, such as the liquidation basis. Disclosures are required when:

- The utilization of the going concern method, as well as the accounting methodology employed for the preparation of financial statements, is absent.
- The management acknowledges the presence of substantial uncertainties related to events or circumstances that could raise significant concerns about the entity's ability to sustain its operations as a going concern.

Management must carefully evaluate the present and projected impact of the COVID-19 pandemic on the organization's activities and its capacity to sustain its operations as a going concern, for a minimum period of 12 months, and potentially longer. Entities affected by the COVID-19 pandemic will be required to take into account various considerations, including their projected future earnings and cash flows, capacity to fulfil debt obligations and other financial commitments, as well as their ability to secure additional funding or cash injections, if necessary.

First, regulators and standard setters are emphasizing disclosure of uncertainties arising from the pandemic. The COVID-19 crisis does not give rise to a variety of risks and neither at the time of the semi-annual reports nor at the end of 2020 can the impact of the crisis and other developments be reliably predicted. This gives rise to the necessity of providing a description of the uncertainties that are prevalent in financial reporting and of informing stakeholders regarding the essential management judgments and assumptions.

The aforementioned theoretical significance, as well as the significance of financial reporting and transparency in the context of the COVID-19 epidemic, were taken into consideration in the construction of the study framework that was proposed. (See Figure 1).

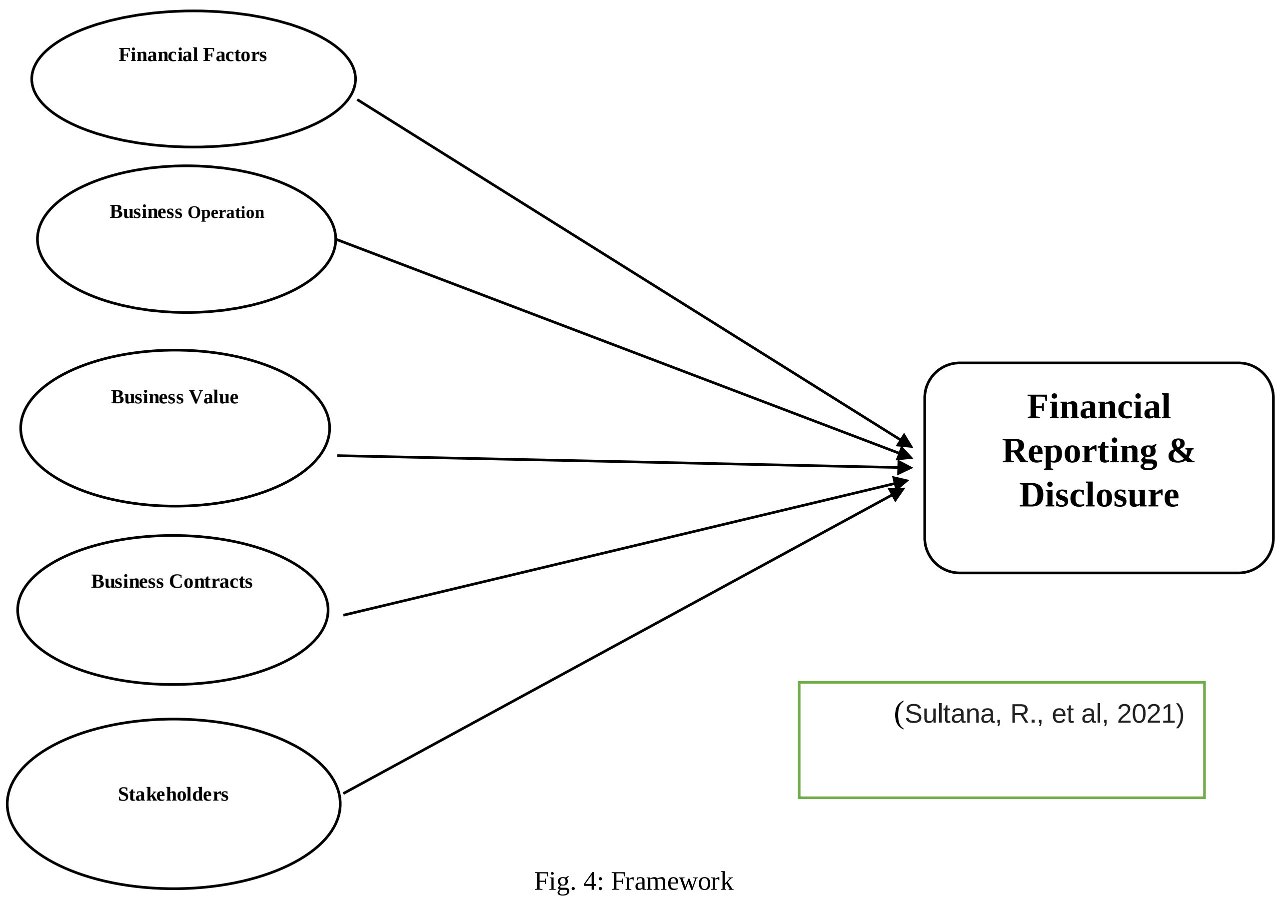

Fig. 4: Framework

➢ *Financial factors*

As the COVID-19 pandemic continues to impede the commercial operations of enterprises, it is only natural that all financial aspects of the firm, such as its assets, liabilities, income, and expenses, will be impacted. This is essential in order for the business to function properly. As a result of the global pandemic, many enterprises are going out of business, which may have an effect on revenue cycle accounting, the applicability of revenue contracts, revenue estimation, and the loss on accounts receivable(KPMG, 2020b). Debt collection is decreasing due to prolonged containment measures that could decrease future cash flows (Sultana, R., et al., 2021). Because of this, the business organization may be forced to enter into a contract that will result in a loss due to the lack of available liquidity (KPMG, 2020b). Nevertheless, it has been extremely challenging to mobilize inventories for production and sales because of the lockdown, travel restrictions, and land border closures that have been imposed as a result of the COVID-19 epidemic. Because of this, there will be a significant shift in the market's appetite for equities. Inventory management is made even more difficult by the short-term nature of items, which, when paired with the growing demand from sustainability regulations and standards, makes the task even more challenging (Logistik Express, 2020).

➢ *Business operation*

Continued business operations are becoming an issue because of the fast diffusion of COVID-19 virus. Therefore, Global accountancy organizations and local professional accounting regulators are proposing that business organizations that have been impacted by the COVID-19 epidemic conduct sensitivity analysis in order to evaluate whether or not they will be able to continue operating as enterprises in the future. The persistent issue at hand is the need to ensure that appropriate disclosures are made in situations where there is significant uncertainty regarding material matters. Companies whose reporting periods end on or before December 31, 2019, would not be required to make any adjustments to their financial statements in order to account for the impact of the COVID-19 pandemic (ICAB, 2020). Entities are required to disclose the primary consequences that the COVID-19 pandemic has had on their businesses as the breakout of the pandemic proceeds in the years 2020 and 2021. PWC (2020) proposed that management take into mind the effects of the COVID-19 pandemic while drafting both interim and yearly financial reports. This was recommended so that the management could better deal with the unstable scenario. Furthermore, it is imperative for entities to disclose their discernment and endeavors in formulating substantial accounting policies and estimations to address the prevailing crisis.

➢ *Business contracts*

Companies are being forced to reevaluate the terms of various sorts of business agreements and training programs as a direct result of the economic disruptions caused by the COVID-19 outbreak. Blake and Conticelli (2020) stated that lenders no longer enforce a strict policy of recovering funds from borrowers when borrowers become involuntarily in default, and it is difficult for borrowers to enter into extended loan agreements with limited income.

➢ *Business value*

As a result of its impact on earnings quality, business value, and fair value, the COVID-19 pandemic has introduced a new dimension of uncertainty into the business world. Business value declines due to declining current profits caused by lower customer demand and forced business closures during the pandemic (Sadang, 2020). As a direct result of this, stock prices continue to fall as a direct result of a decline in business profitability throughout the COVID-19 epidemic and unstable market reactions due to the protracted lockdown of businesses (El-Mousawi and Kanso, 2020). As a result, these observable inputs of the state of the market are no longer relevant, leading to an increase in the subjectivity associated with measuring fair value. As a result of this pandemic, preparers of financial statements will be forced to alter their accounting standards and estimations, which will undoubtedly have an effect on the value and assessment of non-current assets (for example, the cost of depreciation and amortization for a variety of assets will be influenced as a result of lower utilization). (Sultana, R., et al, 2021).

➢ *Stakeholders*

The business organization encompasses both internal stakeholders, such as employees and management, as well as external stakeholders, including government entities, suppliers, creditors, and banks. The COVID-19 pandemic has disrupted the equilibrium among these entities. Certain organizations provide unique incentives to employees who are working during a lockdown, which could potentially affect the recognition of benefits. (ICMAB, 2021). The government should provide timely assistance so that businesses can survive in this battle. All different kinds of enterprises have been granted a wide variety of relief and stimulation programs by the government. This includes tax cuts, tax reduction, tax deferral, and low-interest loans, among other things. (Sultana, R., et al, 2021).

➢ *Accounting impact.*

Companies that report financial results should make certain that their financial reporting and accounting practices take into consideration the volatility and uncertainty of the market. It is necessary to reevaluate the most important assumptions and sensitivity levels. In addition, reporting businesses need to assess whether or not the information they provide is relevant to the topic at hand:

- Potential inventory write-downs and impairment losses.
- Default on loans or breaches of clauses, or amendments or waivers to loan agreements.
- The risk of credit of customers or other entities may experience fluctuations due to adverse developments in the present circumstances.
- Insurance recoveries.
- Alterations in economic or business conditions that impact the equitable valuation of financial as well as non-financial assets and liabilities.
- Variations in growth projections that have the potential to influence impairment evaluations of various assets (such as goodwill and other intangible assets, for instance).
- Methods and procedures to deal with constantly changing circumstances.

B. The second part of this article discusses the applied study

The preceding sections of this study have addressed the theoretical underpinnings by drawing upon relevant literature sources. This section encompasses an empirical investigation, encompassing a comprehensive account of the research methodology, the study's target population and sample, as well as the utilization of appropriate preparatory techniques and the assessment of validity and reliability measures. This section provides a comprehensive account of the procedures undertaken by the researcher during the codification, implementation, and subsequent statistical treatments employed in the analysis of the study. It also presents the outcomes of the applied study.

➢ *Objectives of the applied study*

The purpose of this study is to determine how the epidemic of the Corona virus impacted the companies that are traded in the Egyptian Stock Exchange and their quality of their financial reporting.

➢ *Study Hypotheses*

The hypotheses are based on the theoretical part of the study as follows:

- **The first hypothesis:** there is no statistically significant relationship between Corona virus outbreak and the quality of financial reporting.
- **The second hypothesis:** there is statistically significant relationship between Corona virus outbreak and the quality of financial reporting.

➢ *Study Population and Determination of Sample Size*

- **Study Population**

Index of the EGX 100) Egyptian Stock Exchange) was used it includes EGX 30 and EGX 70 contains the highest 100 companies in terms of liquidity and activity.

The study population consists of the companies listed on the Egyptian Stock Exchange. The study population includes 91companies on EGX 100 for the period under study represented in 18 sectors of various activities and to provide a good representation of the various sectors and industries operating within the Egyptian economy. This indicator is considered accurate for the Egyptian market. The following table show the study population divided into different sectors:

- **Sample Size**

The researcher excluded the sectors of banks and insurance companies due to their different nature in the preparation of the financial statements and also excludes the media sector because it not included companies listed in EGX100 and also excludes banks and insurance companies because of their special nature in preparing its financial statements. The researcher has set the following criteria which should be available in the companies included in the sample:

- They are listed on the Egyptian Stock Exchange during the study period .
- They should not be liquidated or suspended during the study period.
- The financial statements and all data for these companies should be available throughout the period study.
- Availability of study variables in these sectors.

If one of these criteria is not met in any company, this company should be excluded from the field of study, for any company to be part of the applied study; all these criteria must be met.

The researcher selects 36 companies that met the previous conditions represent 40% of population size.

The following table shown number of companies subject to study within each sector and percentage per sector:

Table 1: Percentage representation of companies subject to study

N0.	Sectors	Number of companies	Percentage
1	Communications, media, and information technology sector	3	8%
2	real estate sector	9	25%
3	Services, industrial products, and cars sector	4	11%
4	building materials sector	3	8%
5	Basic Resources Sector	3	8%
6	Financial services excluding banks sector	3	8%
7	Food, Drinks and Tobacco sector	6	17%
8	Paper and packaging materials sector	1	3%
9	Contracting and engineering construction sector	1	3%
10	Tourism and Leisure sector	1	3%
11	Infrastructure Sector	1	3%
12	Health care and medicine sector	1	3%
Totals		36	100%

Table 2: Companies subject to study

Companies	Number of companies
Telecom Egypt	1
Emaar Misr Development Company	2
El Sewedy Electric LLC	3
Al Shams Housing and Development LLC	4
Upper Egypt General Contracting and Real Estate Investment	5
Arab Cement	6
Egyptian Financial and Industrial LLC	7
EFG Hermes Holdings	8
South Valley Cement LLC	9
Raya Call Center Services	10
Obour Land for Food Industries	11
Amer Group Holding LLC	12
Misr Fertilizer Production SAE MFPC	13
Misr Cement – Qena	14
Ghabbour Auto LLC	15
Universal for the manufacture of packaging materials and paper	16
Mina for tourism and real estate investment	17
Edita Food Industries LLC	18
Porto Holding Group	19
Ajwaa Group for Food Industries	20
Egyptian electrical cables	21
Egyptian Kuwaiti Holding LLC in dollars	22
Egyptian Financial and Industrial LLC	23
Egyptian Real Estate Group	24
Beltone Financial Holding	25
Arab real estate investment	26
Arab Valves LLC	27
Golden Tex Woolen	28
North Upper Egypt for Development and Agricultural Production	29
Egypt Gas (EGAS)	30
The Egyptian for the development of the construction industry	31
The Egyptian Media Production City LLC	32
Mina Pharm for Pharmaceuticals and Chemical Industries	33
New Ismailia for Development and Urban Development	34
Ismailia National for Food Industries	35
Ismailia Egypt Poultry	36

➢ *Data Collection Methods*

- Financial reports published by companies through their websites.
- Companies' financial statements through the Egyptian Stock Exchange.
- Obtain some data from Miser Information Services, Trading Company, and the Central Bank of Egypt.
- The Egyptian Ministry of Health

➢ *Calculating the Study Variables*

The Independent Variables are calculated as Follows:

According to the theoretical study, Covid-19(Total Coronavirus Cases) in Egypt in 2021 is measured through the statements and censuses of the Ministry of Health in Egypt and available on the following websites:
https://www.care.gov.eg/EgyptCare/index.aspx
https://www.worldometers.info/coronavirus/country/egypt/#graph-cases-daily

➢ *Calculating the Quality of Financial Reporting (Dependent Variable)*

This variable can be calculated through (Santanue Mitra model, 2002) with the following equation:-

$$CACCit/TAit\text{-}1=\beta 0i+\beta 1i\mathbf{[}(\ \Delta REVit\ \mathbf{-}\ \Delta RECit)/\ TAit\text{-}1\mathbf{]}\ +\beta 2i\mathbf{]}(\Delta COGSit+\Delta INVit)/\ \ TAit\text{-}1\mathbf{]}\ \ +\beta 3i\mathbf{)}\Delta OCFit/\ \ TAit\text{-}1\mathbf{)}\ \mathbf{+Eit}$$

CACCit that expressed about the amount(discretionary accruals) can be calculated by the following equation

$$CACCit = \mathbf{[}(\ \Delta CAit\ \mathbf{-}\ \Delta Cashit)]\mathbf{–}\ \mathbf{[}(\Delta CLit\ \text{-}\Delta CLDit)].$$

The components of each equation are explained in detail in the previous section

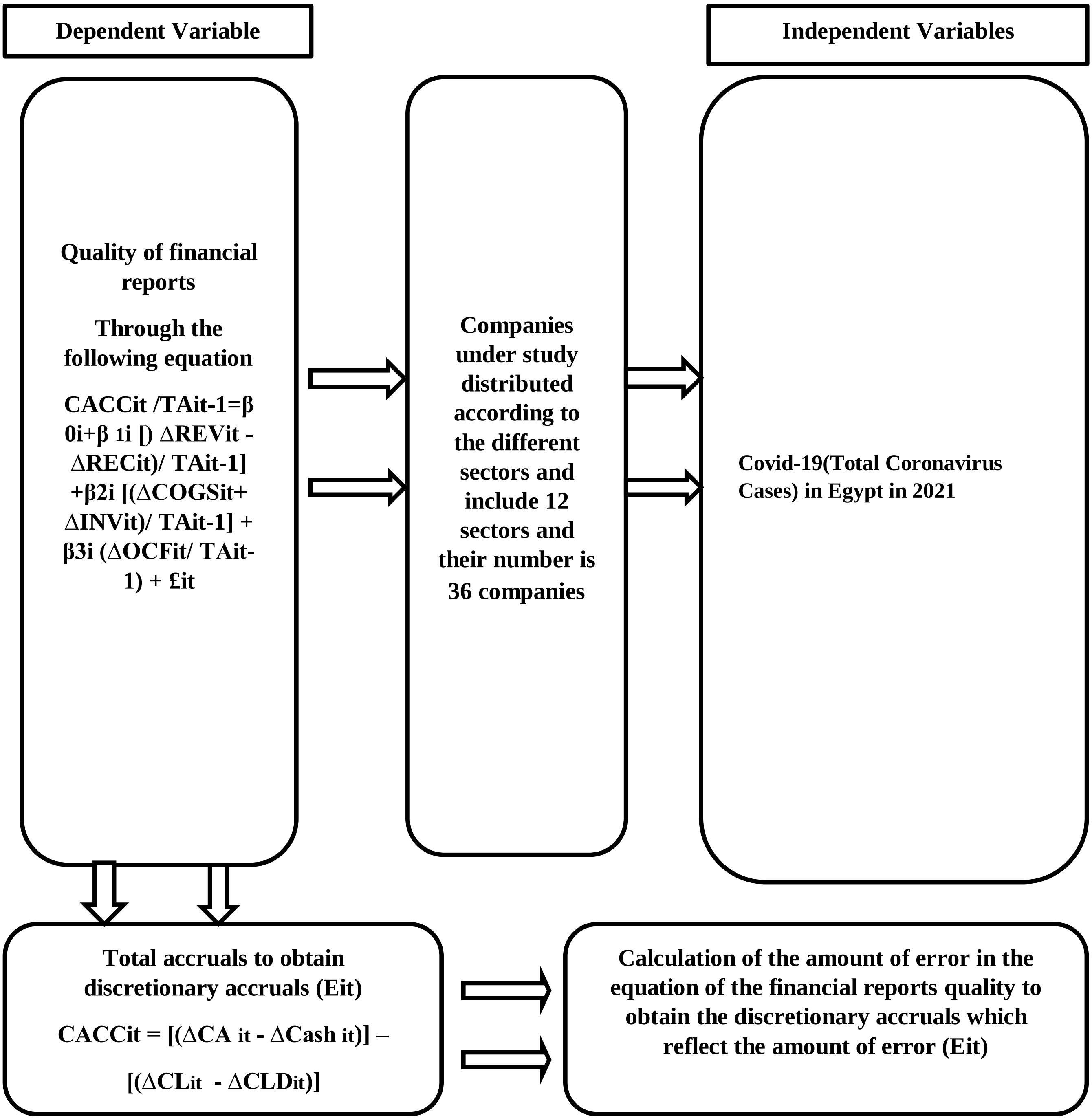

Fig. 5: Statistical analysis according to the test research hypotheses

Source by the researcher

➢ *Data Analysis Methods*

Before starting the statistical analysis and before entering the data in Statistical Package for Social Sciences program (SPSS), In order to prepare all of the information that will be put into the models that are utilized for measuring both the variables that are independent and the dependent variable, it is required to work on a set for calculations and load the data from the accounting records of the companies into the Excel software. This is necessary in order to prepare the information that will be entered. The researcher used the following statistical methods:

➢ *Descriptive Statistics*

These approaches offer details on the features of the data that were utilized in the analysis so that the properties and characteristics of the data can be determined. and trends of the research sample towards the study hypotheses, including:

- **Mean:** To find out how high or low the study values of the main axes of the study.
- **Std. Deviation:** To find out the dispersion study sample values from the overall average values.

ISSN No:-2456-2165

➢ *Deductive Statistical Methods*

- **T-Test:** Measure the average difference between the two groups follows a normal distribution.
- **ANOVA:** measure the difference in averages using analysis of variance for more than two samples or groups within the same sample and follow a normal distribution.
- **F-Test:** test the correlation relationship between two variables.

The value of the correlation coefficient is material if the level is less than (.05 level of significance) and if it is greater than (.05 level of significance) the value of the correlation coefficient is immaterial between the two variables.

- **Correlation coefficient(r):** measure the relationship between two variables (strong, weak, and average) and the direction of this relationship (Positive relationship, negative relationship).
- **Coefficient of determination (R^2):** Express the explanatory power of the model and represent the percentage interpreted by the independent variable for the total change of the dependent variable.

Simple linear regressions is used to explain the relationship between a dependent variable and independent variable.

➢ *Data Analysis Methods*

Before starting the statistical analysis and before entering the data in Statistical Package for Social Sciences program (SPSS), it is necessary to work on a set of calculations and loading the data from the financial statements of the companies on the Excel program in order to prepare all the information to be entered into the models used to measure both the independent variable and the dependent variable.3

➢ *Study Hypotheses*

The hypotheses are based on the theoretical part of the study as follows:

- **Ho: there** is no statistically significant relationship between Corona virus outbreak and the quality of financial reporting.
- **H1:** there is statistically significant relationship between Corona virus outbreak and the quality of financial reporting.

VI. RESULTS OF THE STATISTICAL ANALYSIS

Firstly: results of statistical analysis of hypothesis tests: Analysis and testing data related to the first hypothesis. “The first hypothesis: there is no statistically significant relationship between Corona virus outbreak and the quality of financial reporting. "To test this hypothesis, we need to obtain discretionary accruals .It is measure through the following equation:

$$CACCit/TAit\text{-}1=\beta 0i+\beta 1i[(\Delta REVit - \Delta RECit)/ TAit\text{-}1] +\beta 2i[(\Delta COGSit+\Delta INVit)/ TAit\text{-}1] +\beta 3i(\Delta OCFit/ TAit\text{-}1) + Eit$$

$(\Delta REVit - \Delta RECit)/ TAit\text{-}1= X1$ → Revenues

$(\Delta COGSit+\Delta INVit)/ TAit\text{-}1 =X2$ → costs

$(\Delta OCFit/ TAit\text{-}1=X3$ → cash

The total current accounting accruals as (they are divided into discretionary and non-discretionary accruals are calculated through the following equation CACCit =
$[(\Delta CAit - \Delta Cashit)]– [(\Delta CLit -\Delta CLDit)]$.

The following table shows the results of the statistical analysis, to test this hypothesis using Pearson correlation

Table 3: Results of the correlation analysis between Corona virus outbreak (Total Coronavirus Cases in 2021) and (the discretionary accruals) that represent the quality of the financial reports

Correlations		**discretionary accruals**	**Covid-19(Total Coronavirus Cases)**
discretionary accruals	Pearson Correlation	1	.204
	Sig. (2-tailed)		.232
	N	36	36
Covid-19(Total Coronavirus Cases)	Pearson Correlation	.204	1
	Sig. (2-tailed)	.232	
	N	36	36

The table above shows the correlation coefficient =.204, It indicates a weak positive relationship between the independent variable Covid-19(Total Coronavirus Cases in 2021) and the dependent variable (discretionary accruals that represent the quality of the financial reports) (Eit).The higher the Total Coronavirus Cases, the higher the value of discretionary accruals and this led to the lower the quality of financial reports.

- **To test this hypothesis also using multiple linear regression**

Table 4: Results of the linear regression analysis between Corona virus outbreak (Total Coronavirus Cases in 2021) and (the discretionary accruals) that represent the quality of the financial reports

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.204[a]	.042	.013	.3033986484

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.136	1	.136	1.478	.232[b]
	Residual	3.130	34	.092		
	Total	3.266	35			

a. Dependent Variable: discretionary accruals
b. Predictors: (Constant), Covid-19(Total Coronavirus Cases)

Coefficients[a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.072	.212		-.338-	.738
	Covid-19(Total Coronavirus Cases)	9.420E-7	.000	.204	1.216	.232

a. Dependent Variable: discretionary accruals

The regression equation is as follows :Y=-.072+ 9.420E-7 X1.From the previous table it is clear that:

- **Independent variable significance**

Explanatory power of the model or the value of coefficient of determination (R^2) = 0.042 means that the independent variables included in the model Covid-19(Total Coronavirus Cases) are explained almost (4%) from the variance in the dependent variable (discretionary accruals that represent the quality of the financial reports) (Eit)) of the company.

The correlation coefficient =.204, It indicates a weak positive relationship between the independent variable Covid-19(Total Coronavirus Cases) and the dependent variable (discretionary accruals that represent the quality of the financial reports) (Eit).The higher the Covid-19(Total Coronavirus Cases), the higher the value of discretionary accruals and this led to the lower the quality of financial reports.

T-Test and F-Test results indicates that the effect of the independent variable on the dependent variable is non-significant because the level of significance=.738 is greater than (. 05 level of significance).

Accordingly, to the previously mentioned results we cannot reject the null hypothesis " there is no statistically significant relationship between Corona virus outbreak and the quality of financial reporting.” and the alternative hypothesis “there is statistically significant relationship between Corona virus outbreak and the quality of financial reporting” is rejected.

- **The findings, recommendations, and suggestions for further research are presented and discussed in the second section.**

Following the presentation of the theoretical aspect of the study, in accordance with the data obtained through the previously analyzed questionnaire and following the testing of the hypotheses pertaining to the investigation, the researcher will present this chapter by means of the following points. findings, recommendations, and suggestions for further research are included.

VII. FINDINGS

The findings of this study indicate that the majority of commercial enterprises will, on the whole, disclose the financial aspects of their operations. This is due to the fact that the vast majority of businesses have incurred enormous losses during times of heightened surveillance and restrictions on the freedom of their employees and customers. Due to poor sales volume, decreased cash collection, and increased exposure to credit risk, many firms have been forced to close as a direct result of the dissolution of business organizations. In addition, it was discovered that businesses ought to release information pertaining to business contracts in a very timely manner. This is due to the fact that such disclosure can reassure investors regarding changes in the conditions of any business agreement that was established in the past. In conclusion, businesses should consider the needs of their many stakeholders and make public any information that is essential to preserving their legitimacy in the eyes of society. The DFR should be used to highlight the potential for tax deferment, the high remuneration given to staff for how they performed during the epidemic, as well as the announcement and distribution of stimulus measures. However, the relationship between financial reporting and transparency is not even remotely significant with operations and operational value. The observed business and operating value outcome in relation to financial reporting and disclosure practices during the COVID-19 pandemic can potentially be attributed to prudent government initiatives and robust performance of the capital market.

Because of the effects of COVID-19 on stock markets and private companies, as well as on the price of commodities and foreign currency rates, there have been significant swings in the fair value of specific investments and other assets. When an entity's investments and other assets are subject to significant fluctuations in fair value, that fact should be disclosed in the financial statements assuming it is material and/or it is reasonable to expect that whether it has a material impact on the decision of the users of the financial statements, the entity's market price or market value, etc. In addition, the virus could have an effect on the discount rates that are utilized in discounted cash flow estimates. In spite of the fact that the risk-free rate could have dropped as a result of the COVID-19 crisis, the company's discount rates may still require the addition of a greater risk premium in order to account for the unpredictability of the market.

Significant unpredictability has been brought about as a result of the COVID-19 epidemic for the estimates of entities directly and indirectly affected by the outbreak. In addition to these estimates, management should assess the impact the outbreak may have on all of its estimates, including:

A. Valuation and obsolescence of stocks

- The net realizable value of inventory may decrease, and obsolescence may increase due to the cessation or limitation of operations of the entity due to COVID-19. Management will need to assess whether inventory write-down is necessary.
- Because of COVID-19, it's possible that some entities won't be able to carry out their year-end count of inventories. When this is the case, we recommend that management take preparations to finish the inventory count as quickly as they can after the completion of the fiscal year, and then adjust the amounts based on purchases to bring them back up to the level they were at the end of the year. and inventory sales made during this period.

Allowance for bad debts and bad debts/expected credit losses.

- We expect these amounts to increase for some entities due to COVID-19. Reduced economic growth forecasts increase the likelihood of default for many borrowers. When attempting to estimate these sums, management needs to take into account a variety of factors. Some of these factors include, but aren't restricted to, the customer's capacity to make installments in a timely manner (or at all), as well as the customer's financial stability. As well as the particular exposure of individuals and/or corporate borrowers to the economic repercussions of their geographical location and their sector of activity.
- In addition, the value of collateral may decrease due to a decline in asset prices.

B. Variable consideration arising from revenue contracts

Many entities could see their sales decrease due to COVID-19. When an entity obtains variable consideration on its revenue contracts, management will need to reassess the amount of consideration to which it expects to be entitled given the impact of COVID-19 on its customers' operations.

C. Remaining useful life of assets and depreciation rate

Depending on the effects that COVID-19 has on the corporation, the utilization of particular assets may either rise or decrease. In order for management to assess whether or not any adjustments are required, the useful lives of the company's assets and the rates at which they depreciate will need to be analyzed.

D. Deferred/future tax assets

Deferred or upcoming tax assets can only be recognized under certain circumstances, such as when it is very likely that taxable income will be generated and when it is possible to realize deductible temporary differences. Given the effect that COVID-19 has had on the activities of the businesses, it may be more challenging to support the probability of realization for particular entities, including predicting the amount that will be realized as a result of the realization. This is especially relevant in the event that there are considerable doubts regarding the entity's capacity to carry on its operations as a going concern.

E. Provisions and contingencies

Based on the characteristics of the entity, new arrangements or eventualities could need to be acknowledged or declared, and existing arrangements might need some tweaking. Adjustments to existing arrangements might also be necessary.

F. Obligations related to the retirement of assets.

Depending on how the company conducts its business, the anticipated date of an asset release obligation or the cost that is connected with the obligation may be subject to vary.

G. Employee termination costs

Due to the increased number of contract terminations and layoffs that COVID-19 has caused, it is possible that accruals for termination of staff costs will need to be made. Instead of being recorded on the date that the payment was made, these modifications need to be accounted for on the date that the decision was made.

VIII. RECOMMENDATIONS

A. Business interruption risk

There are several aspects of the current Corona outbreak that have not been precisely defined; some of its main effects include but are not limited to the following:

Production interruptions, supply chain disruptions, unavailability of staff, decrease in sales and profits, closing of companies and stores, delays in conducting planned business expansions, inability to raise financing, increased volatility in the value of financial instruments, decrease in tourism and travel disruption, cancellation of sports activities cultural and recreational

Because the accounting industry is the real translator of economic, financial, and health disasters as well as other types of catastrophes, afflicted organizations and chartered accountants will continue to be able to communicate with one another for as long as the disease continues to spread. Through the production of figures indicating the course of events, but we assume that accounting will face the problem of classical and modern measurement again, and a new opportunity to raise the debate about the historical cost and fair value.

B. Big 4

The reactions of the Big 4 accounting and auditing firms were very quick, as **"pwc, kPMG, Deloittoe, EY"** published a set of specialized publications and reports and held a series of meetings with their partners to understand the potential accounting implications of the Corona epidemic, especially with regard to the recognition of revenue and assets. Intangibles, hedging debts, expected credit losses, contracts, studying possible restructuring issues, stock market losses, insurance hikes, and inventory disposal.

From the above it is clear that:

- Provide management insight into potential consequences of revenue disruption
- Submitting reports on the potential effects on the company's reputation as an intangible asset, the possibility of re-estimating the fixed assets, determining the remaining useful life, and the residual value of the assets and the company
- Attention to the issue of issuing material judgments about uncertainties in financial reports, in uncertain times, as the accountant is obliged to provide appropriate insight to users of information about the risks facing the company.
- Assessing the impact of future cash flows, and making adjustments to budgets
- Paying attention to the areas of hedging and debts and estimating the provisions for termination benefits.
- Assisting in managing liquidity risk, and amending contractual arrangements
- Reassess inventory, review production and storage costs
- Verify the recovery of any recognized deferred tax assets

REFERENCES

[1.] Abed, I. A., Hussin, N., Haddad, H., Al-Ramahi, N. M., & Ali, M. A. (2022). The Moderating Effects of Corporate Social Responsibility on the Relationship between Creative Accounting Determinants and Financial Reporting Quality. Sustainability, 14(3), 1195.
[2.] Accountancy Europe (2020), Coronavirus Crisis: Implications on Reporting and Auditing, available at: https://www.accountancyeurope.eu/publications/coronavirus-crisis-implications-onreportingandauditing
[3.] Achim, A. M., & Chiş, A. O. (2014). Financial Accounting Quality and its Defining Characteristics". SEA: Practical Application of Science, PP.93-97.
[4.] Almaqtari, F. A., Hashed, A. A., Shamim, M., & Al-ahdal, W. M. (2021). Impact of corporate governance mechanisms on financial reporting quality: a study of Indian GAAP and Indian Accounting Standards. Problems and Perspectives in Management, 18(4), 1.
[5.] Almaqtari, F. A., Hashed, A. A., Shamim, M., & Al-ahdal, W. M. (2021). Impact of corporate governance mechanisms on financial reporting quality: a study of Indian GAAP and Indian Accounting Standards. Problems and Perspectives in Management, 18(4), 1.
[6.] Al-Shaer, H. (2020). Sustainability reporting quality and post-audit financial reporting quality: Empirical evidence from the UK. Business Strategy and the Environment, 29(6), 2355-2373.
[7.] Al-Shaer, H. (2020). Sustainability reporting quality and post-audit financial reporting quality: Empirical evidence from the UK. Business Strategy and the Environment, 29(6), 2355-2373.
[8.] Assad, N. F., & Alshurideh, M. T. (2020). Financial reporting quality, audit quality, and investment efficiency: evidence from GCC economies. WAFFEN-UND Kostumkd. J, 11(3), 194-208.
[9.] Beest, F. V., Braam, G. J. M., & Boelens, S., (2009)," Quality of Financial Reporting: measuring qualitative characteristics"NiCE Working Paper 09-108.
[10.] Blake, M. and Conticelli, S. (2020), The Impact of COVID-19 on Loan Agreements: Achieving the Best Outcome, [online] Farrer.co.uk, available at: https://www.farrer.co.uk/news-and-insights/the-impact-of-covid-19-on-loan-agreements-achieving-the-best-outcome/
[11.] Chen, K. C., Cheng, Q., Lin, Y. C., Lin, Y. C., & Xiao, X. (2016). Financial reportingQuality of Chinese reverse merger firms: The reverse merger effect or the weak country effect? The Accounting Review, PP. 1363-1390.
[12.] Chen, Y., Chu, X., Park, J. C., & Soileau, J. S. (2022). CEO religious university affiliation and financial reporting quality. Accounting & Finance, 62(1), 417-468.
[13.] Costello, A. M. (2011). The impact of financial reporting quality on debt contracting: Evidence from internal control weakness reports. Journal of Accounting Research, PP. 97-136.
[14.] Dwivedi, Y. K., Hughes, D. L., Coombs, C., Constantiou, I., Duan, Y., Edwards, J. S., ... & Upadhyay, N. (2020). Impact of COVID-19 pandemic on information management research and practice: Transforming education, work and life. International journal of information management, 55, 102211.
[15.] Edgar Löw & Michelle Elodie Schröder, 2021, Disclosure quality on Covid-19 of European Banks in half-year and year-end financial statements 2020, European Banking Institute Working Paper Series 2021 - no. 105 https://ssrn.com/abstract=3959543
[16.] Edgar Löw & Michelle Elodie Schröder, 2021, Disclosure quality on Covid-19 of European Banks in half-yearand year-end financial statements 2020,

European Banking Institute Working Paper Series 2021 - no. 105 https://ssrn.com/abstract=3959543
[17.] El-Mousawi, H. and Kanso, H. (2020), "Impact of COVID-19 outbreak on financial reporting in the light of the international financial reporting standards (IFRS) (an empirical study)", Research in Economics and Management, Vol. 5 No. 2, pp. 21-38.
[18.] Eng, L.L., Fang, H., Tian, X., Yu, T.R., Zhang, H., 2019. Financial crisis and real earnings management in family firms: a comparison between China and the United States. J. Int. Financ. Mark. Inst. Money 59, 184–201.
[19.] Gamayuni, R. R. (2018). "The Effect of Internal Audit Function Effectiveness and Implementation of Accrual Based Government Accounting Standard on Financial Reporting Quality",Review of Integrative Business and Economics Research, Vol. 7, PP.46-58.
[20.] Garg, B., & Prabheesh, K. P. (2021). The nexus between the exchange rates and interest rates: Evidence from BRIICS economies during the COVID-19 pandemic. Studies in Economics and Finance.
[21.] Gates, B. (2020). Responding to Covid-19: A one-in-a-Century Pandemic? The New England Journal of Medicine. Retrieved from https://www.nejm.org/doi/full/10.1056/nejmp2003762 .
[22.] Gerayli, M. S., Pitenoei, Y. R., & Abdollahi, A. (2021). Do audit committee characteristics improve financial reporting quality in emerging markets? Evidence from Iran. Asian Review of Accounting.
[23.] Gormsen, N. J., & Koijen, R. S. J. (2020). Coronavirus: Impact on stock prices and growth expectations. University of Chicago, Becker Friedman Institute for Economics Working Paper No. 2020–22. Retrieved from https://ssrn.com/abstract=3555917 or http://dx.doi.org/10.2139/ssrn.3555917.
[24.] Hasan, M. S., & Omar, N. (2016). How do we assess the quality of corporate financial reporting? A methodological issue. Aestimatio: The IEB International Journal of Finance, PP. 2-17.
[25.] Hsu, Y. L., & Yang, Y. C. (2022). Corporate governance and financial reporting quality during the COVID-19 pandemic. Finance Research Letters, 102778.
[26.] Humayun Kabir, M., & Laswad, F. (2011). Properties of net income and total comprehensive income: New Zealand evidence. Accounting Research Journal, 24(3), 268-289.
[27.] Iatridis, G. (2010). International Financial Reporting Standards and the quality Income Versus Comprehensive Income in Terms of Firm Performance: Borsa Istanbul Case ". International Review of Economics and Management, Vol.5,PP.97-118.
[28.] Iatridis, G. (2010). International Financial Reporting Standards and the quality of financial statement information. International review of financial analysis, 19(3),PP.193-204.
[29.] ICAB (2020), available at: https://www.icab.org.bd/icabweb/webGeneralContent/view/480466
[30.] ICMAB (2021), "Implications and considerations of COVID-19 pandemic in financial reporting disclosure practices", [podcast] Implications and Considerations of COVID-19 Pandemic in Financial Reporting Disclosure Practices, p. 12, available at: http://www.icmab.org.bd/wpcontent/ uploads/2020/09/11.ICMAB-News.pdf
[31.] Issah &Iddrisu, 2015," The Impact of Comprehensive Income Reporting on Financial Performance of Ghanian Firms with Public Accountability", International Journal of Economics, Commerce and Management,Vol 3.
[32.] Jahmani, Y., Choi, H. Y., Park, Y., & Jiayun Wu, G. (2017). The Value Relevance of Other Comprehensive Income and Its Components,Accounting &TaxationVol. 9, No. 1, pp. 1-11.
[33.] John Hopkins University. (2020). Coronavirus COVID-19 global cases by Center for Systems Science and Engineering (CSSE) at John Hopkins University. Baltimore, MD: John Hopkins University.
[34.] KPMG (2020b), COVID-19-Financial Reporting, [online], available at: https://home.kpmg/xx/en/ home/insights/2020/03/covid-19-financial-reporting-resourcecentre.html
[35.] KPMG (2021d), Impact of COVID-19 on the Going Concern Assessment and Disclosures, [online], available at: https://home.kpmg/xx/en/home/insights/2020/03/covid-19-goingconcern3a.html
[36.] Krishnan, G. V., & Parsons, L. M. (2008)." Getting to the bottom line: An exploration of gender and earnings quality", Journal of Business Ethics, PP.65-76.
[37.] LOGISTIK. (2020), Logistics Manager Analysis: How Covid-19 Is Disrupting Inventory Management, [online], available at: https://www.logistik-express.com/logistics-manager-analysishow-covid-19-is-disrupting-inventory-management
[38.] Lopatta, K., Ernst-Kenji, A., Gastone, L., & Tammen, T. (2020). To report or not to report about Coronavirus? The role of periodic reporting in explaining capital market reactions during COVID-19 pandemic. Retrieved from https://ssrn.com/abstract=3567778 or http://dx.doi.org/10.2139/ssrn.3567778.
[39.] Lu, J., Liu, Y., Krishnan, S., & Yu, X. (2022). Financial controller turnover: An early warning sign of deteriorating financial reporting quality. Accounting & Finance.
[40.] Lu, J., Liu, Y., Krishnan, S., & Yu, X. (2022). Financial controller turnover: An early warning sign of deteriorating financial reporting quality. Accounting & Finance.
[41.] Oğuz, M. (2021), "The Importance of Thorough Financial Reporting During COVID-19 Pandemic: Empirical Evidence From Borsa Istanbul", Grima, S., Özen, E. and Boz, H. (Ed.) Contemporary Issues in Social Science (Contemporary Studies in Economic and Financial Analysis, Vol. 106), Emerald Publishing

Limited, Bingley, pp. 239-250. https://doi.org/10.1108/S1569-375920210000106015
[42.] Persakis, A., Iatridis, G.E., 2015. Earnings quality under financial crisis: a global empirical investigation. J. Multinatl. Financ. Manag. 30, 1–35.
[43.] PWC (2020), “COVID-19 accounting implications”, [online], available at: https://www.pwc.com/gx/en/ services/audit-assurance/ifrs-reporting/accounting-implicationcoronavirus.html
[44.] Reuters. (2020). Impact of coronavirus will be felt for decades to come, WHO says. Retrieved from https://www.reuters.com/article/us-health-coronavirus-who/impact-of-coronavirus-will-be-felt-for-decades-to-come-who-says-idUSKCN24W27L
[45.] Rinaldi, L., Cho, C. H., Lodhia, S. K., Michelon, G., & Tilt, C. A. (2020). Accounting in times of the COVID-19 pandemic: A forum for academic research. Accounting Forum, 44(3), 180–183. doi:10.1080/01559982.2020.1778873
[46.] Sadang, A. (2020), Impact of COVID-19 on Business Valuation - Marks Paneth, [online] Markspaneth.com, available at: https://www.markspaneth.com/insights/industry/industry/ impact-of-covid-19-on-business-valuation
[47.] Scott A. Barshay, Mark S. Bergman, Christopher J. Cummings, Brad S. Karp, John C. Kennedy, Audra J. Soloway, 2020, SEC Reporting Companies: Considering the Impact of the Coronavirus on Public Disclosure and Other Obligations.
[48.] Sultana, R., Ghosh, R., & Sen, K. K. (2021). Impact of COVID-19 pandemic on financial reporting and disclosure practices: empirical evidence from Bangladesh. Asian Journal of Economics and Banking.
[49.] Trombetta, M., Imperatore, C., 2014. The dynamic of financial crises and its non-monotonic effects on earnings quality. J. Account. Public Policy 33 (3), 205–232.

INTERNET SITES
[50.] http://www.businessdictionary.com/definition/earnings.html
[51.] https://www.safaribooksonline.com/library/view/financial-accounting-in/9780470635292/ch13sec2.html.
[52.] http://www.yourarticlelibrary.com/accounting/measurement-of-income/measurement-of-income-4-approaches-accounting/68177/
[53.] http://www.investopedia.com/terms/c/comprehensiveincome.asp
[54.] https://www.accountingtools.com/articles/2017/5/12/ net-income
[55.] Electronic copy available at: http://ssrn.com/abstract=2475624 (Chen, 2015).
[56.] https://www.researchgate.net/publication/303784895(Ding et al., 2016)
[57.] joanna.golden@memphis.edu(Golden and Zhang, 2016)
[58.] http://www.fasb.org/jsp/FASB/Page/Search/SearchPage.
[59.] http://yourbusiness.azcentral.com/net-income-loss-companys-financial-statements-tell-company-12941.html#.
[60.] http://www.nasdaq.com/investing/glossary/e/earnings-per-share.
[61.] https://www.readyratios.com/reference/accounting/earnings_per_share_eps.html.
[62.] http://multiplesgroup.com/wp-content/uploads/2017/01/Snapshot-Issue_9.pdf
[63.] https://www.alexbank.com/Cms_Data/Contents/AlexBank/Media/Publication/FlashNote/cbe_floats_the_egyptian_pound.PDF
[64.] https://ar.wikipedia.org/wiki/%D8%AC%D8%A7%D8%A6%D8%AD%D8%A9_%D9%81%D9%8A%D8%B1%D9%88%D8%B3_%D9%83%D9%88%D8%B1%D9%88%D9%86%D8%A7_%D9%81%D9%8A_%D9%85%D8%B5%D8%B1
[65.] https://www.maannews.net/articles/2002209.html
[66.] March 2020 IFRS accounting considerations of the coronavirus outbreak