



**Faculty of Economics and Administrative Sciences**

**Department of Accounting**

**MSc Thesis**

**Thesis Title:**

**The Investigation of the relationship between working capital components  
and the performance of companies accepted at the Iraq Stock Exchange**

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**Abstract**

Working capital management is in fact the same as managing current assets and liabilities. Working capital management is of great important because of its impact on the company's .Because investment in .risk and profitability, and therefore in the value of the company working capital involves the exchange of profitability and risk, and decisions that tend to increase profitability also lead to increased risk, and vice versa, decisions that focus on risk reduction lead to a reduction in potential profitability. Therefore, the purpose of this research is to investigate the relationship between the components of working capital and financial performance of companies accepted at the Iraq Stock Exchange. The statistical population of this study includes companies accepted at the Iraq Stock Exchange that have .been active in the years 2010 to 2016 and published financial statements The sample of .the research population included 23 industrial companies, which totaled 139 observations. The data were collected as company-year and analyzed using multivariate regression. In order to achieve the research goals and based on the components of working capital, four .hypotheses were developed. The results of the results indicated that profitability will .increase with decreasing in collection period and increasing payment period. Also, the results showed that the profitability will not decrease as the cash cycle becomes longer and the inventory management at the average rate (level) would not increase profitably.

**Keywords:** Working Capital Management, Financial Performance, Companies of the Iraq Stock Exchange.