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# International Financial Reporting Standards: what are the benefits?

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that are investigated and to improve, substantially, the methods used to seek them out.

Keywords:

accounting standards analysts forecasts benefits of IFRS cost of capital  
globalisation of equity markets liquidity in equity markets

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## Notes

For simplicity, the accounting standards (collectively) and the International Accounting Standards Board (IASB) are referred to as the IASB. The IASB is a committee of the International Federation of Accountants (IFAC). The IASB is the body responsible for the development and issuance of accounting standards. The IASB is also responsible for the interpretation of accounting standards. The IASB is also responsible for the development and issuance of accounting standards. The IASB is also responsible for the interpretation of accounting standards.

One would expect the extent to which the IASB is influenced by the regulators; the auditors and other related parties; and the shareholders, to be greater in countries with a higher degree of stakeholder influence. The IASB is also responsible for the development and issuance of accounting standards. The IASB is also responsible for the interpretation of accounting standards.



It occupied a mere 27 pages in Fra Luca Pacioli's 615-page *Summa de arithmetica, geometria, proportioni et proportionalita*, printed in 1494. (Accounting texts tend to be somewhat longer these days.)

Source: <http://www.iasplus.com/country/useias.htm#totals> (accessed 6 December 2010). [Editor's note: The full table shows that some of the jurisdictions classified as 'not permitted' are in the process of aligning domestic standards closely to IFRS.]

See [http://www.cnc.min-financas.pt/Documentos/Press\\_release\\_reg\\_IAS.htm](http://www.cnc.min-financas.pt/Documentos/Press_release_reg_IAS.htm) (accessed 14 January 2011).

Commonwealth of Australia ([1997](#)).

[http://eng.kasb.or.kr/web/services/page/viewPage.action?page=eng/about/a\\_intro.html](http://eng.kasb.or.kr/web/services/page/viewPage.action?page=eng/about/a_intro.html) (accessed 17 January 2011).

See Pope and McLeay ([2011](#)) for a discussion of other papers not covered in this review.

Countries that mandated adoption of IFRS can be further sub-divided into those where early adoption was permitted (such as Germany) and those where it was not (such as Australia).

On the other hand, the earnings response coefficient (ERC) was found to be lower post-IFRS for

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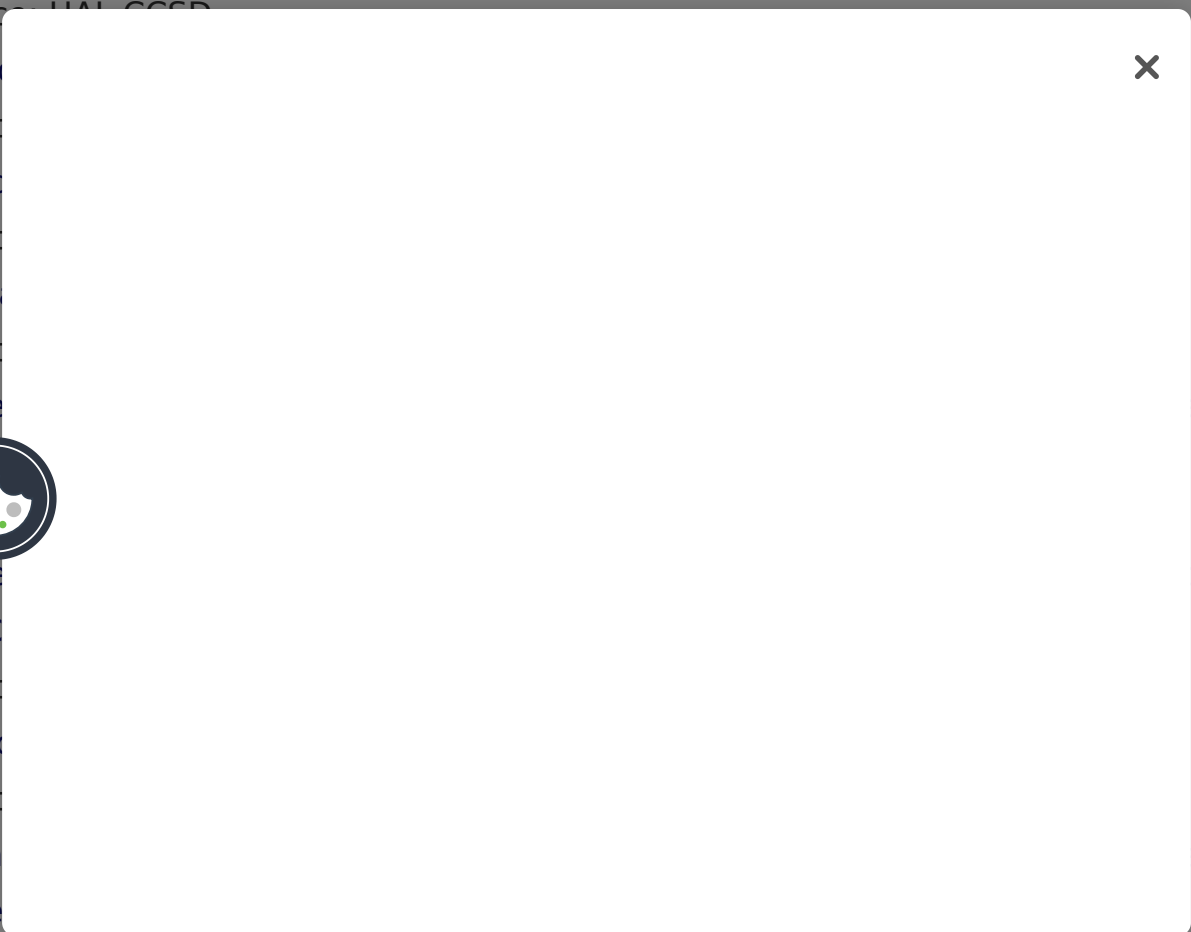
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