

Accounting and Business Research >

Volume 41, 2011 - Issue 3: INTERNATIONAL ACCOUNTING POLICY FORUM

14,272 133

Views

CrossRef citations to date

0


Altmetric

Conference papers and responses

International Financial Reporting Standards: what are the benefits?

Philip Brown 

Pages 269-285 | Published online: 04 Jul 2011

 Cite this article  <https://doi.org/10.1080/00014788.2011.569054>

Sample our
Economics, Finance,
Business & Industry Journals
>> [Sign in here](#) to start your access
to the latest two volumes for 14 days

 Full Article Figures & data References Citations Metrics Reprints & Permissions

Read this article

Abstract

When countries have announced plans to adopt IFRS in lieu of the standards that had applied previously, they have referred to a number of benefits, mostly to do with equity markets. So it is not surprising that academics have looked to equity markets to assess the extent to which benefits may have materialised. The evidence they have gathered can fairly be characterised as mixed, partly because of differences in samples and the use of a wide range of proxies for the same underlying but unobservable idea.

Nonethe

consequ

Although

stand

are re

is far fro

that are

out.

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All 

Essential Only

Settings

Acknowledgements

I appreciate the comments of professional staff of the Institute and of its academic adviser, Richard Macve. Helpful comments were also received from Wendy Beekes, Greg Clinch, Raymond da Silva Rosa, Jayne Godfrey, Bryan Howieson, Kevin Stevenson, Ann Tarca, Paul Taylor, Stephen Taylor and Tony van Zijl along with participants in a Research Workshop at The University of Western Australia. I also acknowledge the comments of the editor Pauline Weetman and the anonymous reviewer; and the research assistance of John Preiato and Jeremy Cowcher. Earlier versions of this paper were presented at the conference of the Korean Accounting Association, Busan, 17–19 June 2010 and at the Birkett Memorial Lecture, Sydney, 20 October 2010.

Notes

For simplicity I will not distinguish either between the IASB (International Accounting Standards Board) and its predecessor the IASC (International Accounting Standards Committee) or between IFRS (International Financial Reporting Standards collectively) and IAS (International Accounting Standards, the forerunner to IFRS).

One would expect the degree of credibility would depend on matters such as: the extent to which IFRS are adopted by a country as and when they are issued by the IASB; the quality of education and training of preparers, users, auditors and regulators;

the exte
other rel
auditors

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised

Accept All

auditors and
holders,

It occurs because we use cookies to tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings” For further information about the data we collect

from you, please see our [Privacy Policy](#).



About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click “Settings”. For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings

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 (accessed 14 January 2011).

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

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 a sample of Norwegian companies, which was attributed to the influence of volatility in earnings due to the use of fair value measurement under IFRS (Beisland and Knivsflå [2010](#)). The capitalisation of intangibles was believed to have the opposite effect, that is, to raise the ERC because of better matching of costs and revenues.

Niels Bohr received the Nobel Prize for Physics in 1922. In fact the quote has been attributed to many others as well as Bohr and its origin is therefore in doubt. See <http://physics.about.com/od/nielsbohr/tp/Niels-Bohr-Quotes.htm> (accessed 17 January 2011).

See Howieson ([2010](#)) for an interesting analysis of the political pressures on standard-setters following the (global) financial crisis.

See Pope
consider



Related

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All  Save

Essential Only

Settings

Information for

Authors
R&D professionals
Editors
Librarians
Societies

Opportunities

Reprints and e-prints
Advertising solutions
Accelerated publication
Corporate access solutions

Open access

Overview
Open journals
Open Select
Dove Medical Press
F1000Research

Help and information

Help and contact
Newsroom
All journals
Books

Keep up to date

Register to receive personalised research and resources by email



Sign me up



Copyright © 2024 [Informa UK Limited](#) [Privacy policy](#) [Cookies](#) [Terms & conditions](#)

[Accessibility](#)



Taylor & Francis Group
an informa business

About Cookies On This Site

We and our partners use cookies to enhance your website experience, learn how our site is used, offer personalised features, measure the effectiveness of our services, and tailor content and ads to your interests while you navigate on the web or interact with us across devices. You can choose to accept all of these cookies or only essential cookies. To learn more or manage your preferences, click "Settings". For further information about the data we collect from you, please see our [Privacy Policy](#).

Accept All

Essential Only

Settings