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INTRODUCTION

The globalisation of capital markets is an irreversible process; there are many potential benefits of international accounting standards of mutual recognition and respect. The adoption of uniform rules to reduce costs in order to reduce the additional information is necessary for the conduct of business across borders. They are comparable, thereby improving the assessment and analysis of the users of financial statements. User information is available to them to become more confident. This is probably in order to reduce uncertainty, to promote the efficient allocation of resources and reduce the cost of capital.

To close the accounting standards in different countries, the difference between the International Accounting Standards Committee (IASC) was founded in 1973 by a group of professional accounting professionals. The Inter-Agency Standing Committee to develop common standards for accounting and global efforts to reduce the differences in international accounting and reporting practices. In this sense, according to the international standards committee (MPC) has been created.

Inter-Agency Standing Committee since its creation in operation for two years (1997) is defending the unity and standardized accounting. April 2001, according to international standards (IASB) adopted the International Accounting Standards Committee (IASC) was established. Since then, the existing and updated by the International Accounting Standards International Financial Reporting Standards, are known as International Financial Reporting Standards (IFRS).

In the UK, it is essential that all national companies in accordance with Company Law, most of the provisions applicable to all companies in the UK, regardless of size. All companies are required to prepare their financial statements to its shareholders. Except for very small firms, the accounts must be approved by the auditor of England.

Account the liability of directors, and shall comply with the UK accounting, which is the legal and accounting standards of the company. 1985 law includes reserve accounts show a true and

fair. It can be used to prove superior to any other legal requirements and accounting standards, the true picture. Financial Reporting Council (FRC), founded in 1990, is responsible for setting accounting standards in the UK.

It is an independent organisation funded by private accounting profession, Trade and Industry (DTI) and the institution. FRC has three subsidiary bodies: Accounting Standards Board (ASB), which is responsible for the accounting standards issued by the Working Group on Emergencies (UITF) to the new accounting issues to provide guidance, there is no standard; Financial Reporting Review Committee (Review Committee) is responsible for monitoring compliance. ASB Accounting Standards briefly clearly linked with the fundamental principles, and will not produce a lot of rules to cover the entire accounting playback (CCAB 1988). There is evidence that information, the UK Financial, Financial Reporting Review Panel of organs, improving quality. CGAA (2002) noted that a significant improvement was observed in the last decade of the regulatory system.

To help small business coach with a standard user account, financial reporting standards of small entities (FRSSE), which is based on the existence of UK GAAP, have been developed ASB is designed for small businesses.

UK domestic companies listed on the London Stock Exchange in shares or other securities should be in accordance with the UK Listing Authority (UKLA) dispositions in addition to UK GAAP. Listen to the principle of additional requirements, such as for domestic companies to manage the company and manage the disclosure of additional information.

Research Question

The research will focus upon following question:

- What are the reasons for differences/ what are the differences on preparation of international financial report of UK and Germany?

Objectives/Hypotheses

This research is focused upon finding the differences between UK and Germany for preparation of international financial report. The specific objectives are:

- To find out the reporting differences between UK and Germany for preparation of international financial report

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- To find out the principles applied in UK and Germany for preparation of international financial report
- To find out the issues in preparation of international financial reports in UK and Germany
- To find out the IFRS adoption process, benefits and challenges in both countries

Rationale and Justification

The UK and Germany have adopted international accounting standards in order to participate in the benefits, including the attraction of foreign direct investment, reducing the cost of doing business, and Border. Application international financial reporting standards, the UK and Germany will face challenges, including the development regulatory and legal framework and regulatory education and training.

In developing countries, the government is the dominant economic force, and requires an effective system of financial management. Berry and Hall (1993) finds that in these countries, accounting systems are often too complex local requirements, as they do from developed to less developed regions of imports. But this argument does not matter, because today's globalized world, the importance of international financial reporting standards has increased.

Many developing countries are moving in the open market through the privatisation and liberalisation of capital account transactions in order to increase competition and open their economies to provide access to the TNC. The rationale for this strategy is to prove his liberal economic policies and economic liberalisation, the whole world - a form of globalisation.

International Accounting Standards (Bruno Bass, 1998, B) with the international standards in the process, different from the past, when developing countries cannot afford the cost of financing the transition to international standards or local standards, it cannot develop, adapted accounting standards refers to their needs.

Although these three countries are considered classified in the more developed economies is abnormal, the introduction of International Financial Reporting Standards and their current degree of convergence of the local approach GAAP, in fact, these countries have different legal systems in these countries still showed the greatest signs of convergence and adoption of international standards Financial Statements Financial, of particular interest to scientists and the diversity and the changing economic environment, the standards are really motivated to further research in this field worldwide accounting practices and procedures.

Research Method

The term "second data" refers to data collected in the other studies. For the first explorer of the original data, but for the second investigator, are secondary data.

There are huge amounts of data collected daily governmental agencies, universities, private organizations, research centers, non-profit, public and students. Some examples of the Census Bureau are the International City Managers Association (ICMA) and the Interuniversity Consortium for Political and Social Policy Research (ICPSR). To use secondary data for your research, you have to 1) finding, 2) evaluation of the data, 3) the data.

The data have been compiled based on the latest data and researches are covered by secondary methods of data collection. Thus, several approaches can be used as case studies, analysis of documents, articles, projects, etc. In the case study, the methods of collection of secondary data, the researcher collects data from annual reports and analysis of information is available on the organization's Web site (Stawarski Phillips, 2008). For information on the average method of collection, both published and unpublished sources used by the researcher. According to the report published source, government publications, newspapers, magazines, etc. are used for data collection. The findings, published materials researcher, published the results of some of the commissions of inquiry, etc. used as unpublished sources to gather information (Axinn and Pearce, 2006).

1 Data Search: Secondary data can be found through the block parameters, such as the statistical index links available in most libraries. There are also online databases, secondary, for example, U.S. Census.

2 Evaluation: The evaluation of secondary data is similar to taking the criticism published a research report. The entire original project, which produced the data, should be checked to ensure that the project has a high degree of validity and RELIABILITY.

Structure the Thesis

The dissertation will consist of six chapters. The plan of chapters is discussed as follows:

1. Chapter one will discuss the background, introduction, rationale of study, and hypotheses. This will be foundation as to how this research was initiated and what it aim to achieve?

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2. Second chapter will discuss the literature with respect to the topic. Critical analysis of literature will be done to find out how different authors have covered this topic and what new dimensions can be explored with practical implications and suggestions for accounting reporting standards.
3. Third chapter will discuss the methodology as to how this research will be conducted? How this research will be performed? The sampling method, nature of data applied, sources of data, data collection and data analysis process will be discussed.
4. Chapter four will present the results obtained after data collection. Different tests, if apply, will be presented.
5. Chapter five will discuss the analysis of the results. It will explore the core objective of dissertation along with different small objectives.
6. Finally, chapter six will conclude the dissertation with a summary and some recommendations for practical implications.

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Literature Review

WHAT IS A FINANCIAL REPORT? WHAT IS IT USED FOR?

Financial statements (financial reports) is a formal business, personal, or other entity of the financial records of the activity. Relevant financial information in an organized manner is an easy to understand format. Usually include basic financial statements, together with the Management Report and Analysis. (Botsari, 2008, 633-670)

WHAT INFORMATION DOES IT INCLUDES? WHAT DOES IT EXPLAIN?

- Statement of Financial Position: also known as the book value of corporate assets, liabilities and net worth on a given time reports.
- Statement of comprehensive income: income, expenses and profits for the period of time for the report. Profit and results of the company, working on the basis of the information provided. This market situation and processing at any price.
- Cash flow: cash flow of the company, in particular operating, investing and financing, p.

For large companies, these statements are often complex and may include financial statements and the discussion and analysis of a wide range of notes. Bonds are usually in the situation; realize a balanced and cash flow statement of the following detailed description of each project. Notes to the financial statements are an integral part of these financial statements (Bartov, 2005, 95-119).

WHERE TO FIND/DOWNLOAD THE INTERNATIONAL FINANCIAL REPORT?

The financial statements are presented on the accounting records of the time, the position of the business, results of operations and cash flows. The financial statements, together with the relevant information can lead to others in a variety of forms, such as an annual report. This is mainly financial, business activities for them, including how they are prepared and show it off (Ball, 2006).

HOW IS IT GOING TO BE USED?

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The objective of financial statements is to be understood that the reader has a reasonable knowledge of business and economic activities and accounting and willing to learn from the data, you can use the accounts for different purposes:

- Owners and managers must make important decisions affecting continuing operations in the financial statements. These statements and financial analysis to provide management with a more detailed understanding of the form. These statements are also used as part of the annual report to shareholders.
- Employees must be aware of the management reports of the Union collective bargaining agreement (CBA), or the people in discussing their compensation, promotion and rankings.
- Potential investors use financial statements to evaluate the possibility of investment. Financial analysis often investors and professionals (financial analysts), thus guaranteeing their investment decisions on the basis of drugs.
- Financial institutions (banks and other companies, loans) use them to decide whether to give the property a fresh working capital or extend debt securities (such as long-term bank loans and bonds), financing for development and other necessary expenses (Jermakovicz, 2007, 611-641).

IDENTIFY THE OBJECTIVE OF INTERNATIONAL FINANCIAL REPORT OF UK AND GERMANY

- The development of accounting standards for financial reporting transparency, comparability and quality of
- In order to promote accounting standards
- To achieve accounting standards and the needs of emerging markets
- The convergence of accounting standards in the various countries of accounting standards (Radebaugh, 2007)

IDENTIFY THE ROLE OF ACCOUNTING IN BUSINESS

The timer function is to assist the parties, such as shareholders, both internal and external business decisions. The measurement and registration includes summarizing business activities,

interpreting financial information, as well as management and other decision makers to ensure that outcome (Jermakovicz, 2007, 611-641).

Financial accounting firm cites a number of key documents, including the income statement, which shows how business transactions provide a statement showing the trade patterns over a period of time to be determined and balance (Meeks, 2009, 191-210). In this sale, payments and other financial transactions, help control staffing standards of financial reporting, including monthly management reports are presented in the budget, the cost of sales and profits, business management more effective and the role of the financial cost of accounting research.

Decided to invest in a foreign company in the profit and loss account based on their economic performance, but there are other ways to use financial statements to make business decisions. By carefully analyzing the financial statements of the company, can maximize the use of their assets (Radebaugh, 2007).

Accounting and financial services are in the heart. You can survive, at least for a time without effective marketing plan; management of human resources is bad business strategy is very poorly designed. However, if you have a business in the management and control of the financial system, a serious drawback, it is not (Whittington, 2008). On the positive side, this helps maintain good accounting and financial management of the company, but also gives owners, managers and other information, and hope that courageous decision to take advantage of opportunities to help companies to grow. Therefore, for all students of business, accounting and financial need to know items (Meeks, 2009, 191-210).

The easiest accounting for business is financial cost of companies and transactions with related parties for the full amount. However, the role of accounting is much more than just an idea. Modern elevator Accounting or financial data of the company: Part monitor their activities, in part, to determine what resources are available and are part of the future in order to meet the different groups they need to finance their information needs (Christensen, 2008).

The development of the internal registers of the two main areas: firstly meet the information needs of external stakeholders, and secondly, to provide management information in order to assist in decision-making and other activities. Reason export-oriented branch called the financial statements of income for a long time (Ali, 2000). (Formerly known as the profit and loss account) of profit and loss account, balance sheet and cash flow statement Management

Accounting for focus on internal business systems and management of the production information (Sodestrom, 1996, 675-702).

GERMAN ACCOUNTING STANDARDS

Accounting for Legal Reform , all companies whose shares are admitted to each Member State on May 10, 1993 Council Directive 93/22/EEC Article 1, paragraph 13, in the sense that the transaction is regulated services, securities trading book closing time, they must prepare their consolidated financial statements according to International Financial Reporting Standards (IFRS) 2005 early January this year. The same obligation applies to apply for admission to the headquarters of the German stock exchange in organized markets and relevant closing date balance sheet (Pincus, 2006).

Fully recognized, debt, within the meaning of paragraph 1 of Article 13 of Directive 93/22/EEC, Member States or whose securities are Sales exchanges of these listed companies admit non-members and sought international recognition of standards, including guidelines issued before the start of exercise (EC) № 1606/2002 of the European Parliament and of the Council of July 19, 2002 in the Official Journal of the European Communities, must first apply international accounting standards in both January 1, 2007 for the fiscal year that begins on or after. The other entire parent may choose to apply the International Financial Reporting Standards for the preparation of the consolidated financial statements, in its discretion, as long as you make full use of the standards and rules. The allowance for doubtful accounts of sexual use, limited in accordance with International Financial Reporting Standards, and in accordance with German accounting standards for the preparation of the financial statements are separate financial statements of the bill (Ball, 2005).

GROWING SIGNIFICANCE OF THE IFRS

International Financial Reporting Standards gained great importance in recent years. Although control of the company, is becoming increasingly international financial reporting standards, and not just to meet or out of the action or business partners in order to meet the requirements, but also to create and write the competitiveness of the company in the market. As more and more attention to the international financial reporting standards German, you can assume that is a financial journalist community, the law does not require IFRS, the applicant will still not be able

to avoid international financial reporting standards. This trend in the development of the European Community has compliance with European legislation (Li, 2006).

IFRS – A COMPLEX FINANCIAL REPORTING SYSTEM

Turn right on International Financial Reporting Standards for the change; the transformation project is a major problem for the company. The most common accounting standards and evaluation have been postponed, and the concept, however, the German financial reporting requirements, and not according to the precautionary principle and the concept of fair value. Therefore, this concept will lead to increased financial reporting requirements of the operator usually far (Jermakovicz, 2007, 611-641).

The complexity of the financial reporting requirements, often develop detailed, often only to meet short-term qualitative and quantitative, especially at the stage of the transformation of the company in these efforts. In addition to the standard or the last few years has changed significantly. Companies not only in Germany but in many cases considered critical points expressed a university professor in Germany, not the end auditor (Meeks, 2009, 191-210). In many cases, in the context of the global financial crisis, or face civil society balance the interests of financial instruments, such as the measurement, there is a great need for clarity and new regulations. The effect on the accounting aspects, these areas represent about a paradigm shift, including costs associated with the conversion (Whittington, 2008).

International Accounting Standards Board (IASB) has responded to the call for simplification of the final standard in June 2009, was released the so-called International Financial Reporting Standards for Small and Medium Enterprises (IFRS for SMEs). For example, it contains a number of important exceptions to simplify the only way to measure the goodwill impairment. Goodwill amortized (Ball, 2006).

The for small and medium enterprises SMEs in Europe and in the context of national law which are set by the Council of International Accounting Standards in accordance with International Financial Reporting Standards and the interest of the long-awaited showed a ongoing debate about the company, the target group (users) and to simplify the range, because the working group responsible for the development of small and medium enterprises set the IFRS (Jermakovicz, 2007, 611-641).

The development of international accounting standards for small and medium enterprises, the working group's recommendations, for example, in August 2005, the company has to take into account non-governmental financial statements 50 employees and an annual turnover of € 10,000 (Whittington, 2008).

However, even with the previous review, the international financial reporting standards are seen in the international community - and not the last attempt of convergence with U.S. GAAP - Financial information and eventually prevail. The debate in Germany, the advantages over the current rules in force in Germany, the financial statements is considered to be lying on its transparency (Botsari, 2008, 633-670).

THINGS WORTH KNOWING IFRS FOR SME'S

July 2009, the IASB issued IFRS for Small and Medium Enterprises (IFRS for SMEs).

Currently, many countries are assessed against the international financial reporting standards for small and medium enterprises have been used (e.g., Brazil, Namibia). European countries, the European Commission is currently working with the European law compliance (Bartov, 2005, 95-119).

The Commission has decided to refer the parties interested in the European Union and consultations November 17, 2009 March 12, 2010 took place between them. The result of the negotiations is the website of the EU (Ball, 2006).

Many respondents said that users will benefit from the general rules, mainly due to increased capacity to analyze and compare the various jurisdictions in the preparation of the financial statements. However, in some EU countries, the relationship between maintaining capital standards may request tax and onerous reporting requirements to duplicate the IFRS for SMEs. Small and medium enterprises in Germany, a new reform of the International Financial Reporting Standards CCC, which is now alleged to have been partially adapted to international accounting standards, but on the other hand, contains a clear separation of international standards financial information of the competition (Whittington, 2008).

WHO ARE THE USERS?

Users IFRS for SMEs and potential equity or debt or companies listed. In this regard, the international financial reporting standards for small and medium enterprises to solve a variety of

small orders are not necessarily characterized by small and medium enterprises. Application of IFRS for SMEs the essential criteria listed stolen (Jermakovicz, 2007, 611-641). Council of International Accounting Standards also believes that, as members of large companies, but these companies can use the full set of international accounting standards, in order to improve the comparability of listed companies (Bartov, 2005, 95-119).

GROWING SIGNIFICANCE OF INTERNATIONALLY COMPARABLE ACCOUNTING PRINCIPLES

Business schools and managed by their private owners are increasingly interested in internationally comparable accounting principles. This has led to an increase in the number of small and medium enterprises are also increasing international interest in the field of international investors. At the same time, these companies want to avoid complex accounting or a record that may result from the internal drive, taxes, or - in full compliance with the Financial Reporting Standards German commercial legal obligations (Jermakovicz, 2007, 611-641). IFRS for SMEs have the practical value if it can be evaluated. International accounting standards recognized internationally, increasing pressure on national standards and regulatory bodies. The adoption of international accounting standards in Germany, will inevitably lead to the application of a separate tax account (Bartov, 2005, 95-119).

BILMOG CONVERSION

New Accounting Standards Act Accounting Reform Act (BilMoG) consolidated annual financial statements for fiscal years beginning on or after January 1, 2010 the findings of the latter, so that they all refer to the financial statements 31 December 2010 for the first time, but the necessary rules have been January 1, 2010 into effect, so that the opening balance BilMoG for the determination of value (Botsari, 2008, 633-670).

BilMoG have several new accounting standards already in force. The most important are:

- The requirements of the plan assets for pension commitments
- Options intangible assets disclosure
- eliminate the cost of certain provisions of the debt does not have any events
- Measure the provisions of the settlement amount
- Long-term provisions applicable interest rate, so that pensions

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- defined benefit obligations and the fair value of the underlying securities valuation
- Barriers to the implementation of the requirements and conditions to the original
- The cost of production, and even the definition of an intangible asset,
- Special rules for listed companies
- Dividends and profits limitation of transfer limit
- The recognition of deferred taxes in accordance with the concept of temporary
- Disclosure of interests such as deposits or treasury shares
- Several new reporting requirements for financial reporting (Christensen, 2008)

The consolidated financial statements should be read in addition to the new requirements include:

- Expand the scope of consolidated subsidiaries
- social valuation method to reduce connection
- the date of purchase in order to determine
- The recognition of deferred taxes in accordance with the concept of temporary
- Declaration of interests in associates are stated at cost less accumulated impairment losses
- Several new reporting requirements for financial reporting (Chatterjee, 2006)

By making BilMoG number of transitional provisions to be respected, as the company, in some cases, several conversion options to provide flexibility in accounting policy (Chen, 2010).

In addition to these major changes in BilMoG significant changes in accounting may not be entirely in Germany, that the abolition of tax accounting financial statements decisive turns. § 5, paragraph 1, the first Law of Income Tax 'two reports relevant financial benefits income limit taxpayers dependence, leading to new problems of financial and tax accounting between independent strategic (Bradshaw, 2008).

According to our current observations, many companies have solved all the changes that have been identified and other details BilMoG impact. This can lead to unpleasant surprises, you may need after the fiscal year end financial statements usually begins phase pressure unexpected moment (Ball, 2005).

In particular, the problems encountered, such as the more complex issues or determine an estimate of deferred taxes often exceeds the capacity of accounting. In this case, if the audited

consolidated financial statements, the auditor independence requirements of the possibility of legal restrictions, if necessary, seek advice or help (Ali, 2000).

UK AND ACCOUNTING STANDARDS

For the purposes of tax law, which means generally accepted accounting principles in connection with the relevant provisions of the UK, the Company Law - is designed to provide a true picture, which was originally discovered in the Act 1988 № 836A Tax now 50 (4) 2004 FA Cup, including, but not limited to, statements with respect to IFRS (IAS) and International Financial Reporting Standards (IFRS) issued by the Accounting Standards Board and its predecessors (Li, 2006).

December 2004, ASB has released six new plans for convergence of accounting standards in the UK GAAP with International Financial Reporting Standards. These include financial reporting rules 25 and 26 of IAS 32 and 39, the British equivalent. Accounting number 26 in 2005 make not only the children of listed companies. Since 2006, the financial statements have been prepared in accordance with the accounting policies set out in the fair value of the Company Law, are optional and can be used in 2005 on a voluntary basis (Pincus, 2006). All companies have to use IAS 25 aspects of the presentation. ASB began looking for recommendations require that all companies, except for those who use (financial reporting standards for small businesses) FRSSE with IAS 25 (full) and the Financial Reporting Standard 26, but this consultation is now looking for greater policy coherence in the Council (Ball, 2005).

IFRS 7 replaces IAS 32 Accounting section. ASB Financial Reporting Standards have been adopted Accounting Standard number 29, number 25, too.

WHY ARE IAS AND UK GAAP RELEVANT FOR TAX?

Accounting policies, practices and standards of corporate profits and the tax base determine the relationship between the number of years of lawyers, accountants, scientists and other subjects of intense debate. Forex 1993 passed a law this year is implicitly required for commercial SSAP20 tax purposes, this is the year in which the court rendered its decision and Threlfall V. Gallagher Individual SSAP21 Jones, in principle, but is not required, as taxpayers, Mr. Gallagher and Threlfall, overcoming any case law to pay taxes (Bradshaw, 2008).

But the idea of benefiting from financial transactions as a starting point for the calculation of return suddenly entered the world as a surprise in 1993. To receive a statement reflecting that in 1926 the High Court said *Lothian Excellency President Chemical Co. v Rogers* (11 TC 508) UK is faced with an important bill is the actual behaviour of the balance of benefits and income taxes - 1918 Act than its predecessors, it is less than real - with normal accounting of these general principles. But not invaded and regulations, they should be able to win (Chen, 2010). This final rule language devoted more, said the Finance Act 1998 (slightly modified before the FA Cup in 2002, Article 42). In this case, calculated in Appendix I or II D of income through trade, profession, or give a true picture, but the benefit calculated for those required by law or approved by other regulatory purposes (Christensen, 2008).

Also apply to part 42 of the Annex to the company (real estate income in the UK), International Real Estate, and earnings estimates real estate business. From 2005-06, it was replaced in 2005 25 ITTOIA taxes (Chatterjee, 2006).

The same principle applies to the taxation of profits is not specific areas of debt (loan), derivatives, depreciation, management fees and rental of retail. This is the first 42 FA 1998 without adjustment of 25 ITTOIA or permitted by law is not necessarily limited to adjustment as provided in the rules that apply under the law, and the amount of this discrepancy is even possible adjustments (Botsari, 2008, 633-670).

GOVERNMENT POLICY

Public policy, as in many consultation documents, and other places, we can say that: -

- For more regulation and taxation of business (accounting) profit has its advantages.
- However, if you have good political reasons to leave the government willing to make the following accounting policies (Bartov, 2005, 95-119).

WHERE ARE DEPARTURES ALLOWED?

This is not a simple matter. Many cannot differ from accounting to go as they develop. Only in the last 30 years, was forced to Accounting Standards codification right agency for them. To calculate the tax on corporate profits, if there is no accounting for the majority of projects, usually with little or no evidence in the case of equity reported reality.

However, in most cases, the load failure classification results (especially new legislation), and changes may be some success for a number of rules (Ball, 2006).

These are the principles to be taken into account when considering whether to continue the government, or in combination, is the need for International Accounting Standards and UK GAAP changes take effect (Jermakovicz, 2007, 611-641).

HARMONISATION AND ITS REASONS

Common European policy to learn to play is very important as it provides a competitive sovereign state - a nation-independent and the inevitable tensions between the EU and windows.

The cooperation project has unified and cooperation. The Finnish government has ordered (do not ask) in order to comply with the EU directive, if not subordinate to the Supreme Court of Justice of the European Union. The Finnish government, of course, knows that EU accession will bring a number of questions about potential conflicts - of labour practices, the food industry.

Why there are so many problems to deal with sovereign states may argue, wolf, are the problems? We believe that the wolf problem is a description of a number of management tasks to create two rules (Meeks, 2009, 191-210).

The first question that comes to the absence of a clear cause of the object model of decentralized administrative action issuing new regulations, administrative decisions of the imagination and of the desired results. We say it is a matter of tools. The second problem with authoritarian tendencies, such as management solutions under the hood EU agreed that no operation is confirmed, the wolf is an integral part of life in the countryside in Finland. The wolves kill dogs, livestock and ungulates. Wolf Habitat is strictly protected under the auspices of an example of what we call the anti-complete. It is high quality, reflected in policy-related defects African wild undermine the coherence of the EU's biodiversity (Radebaugh, 2007).

People generally believe that the unification of private cables to an increase in cross-border transactions and consumers (in particular the rules, the less room for conflict)'s decision will have a positive effect. But the diversity of the law affects the decisions of consumers and businesses to do? (Zeff, 2006)

Decisions based on organisation theory and psychology, it is likely that there are different groups of consumers and businesses in a variety of laws have different effects. One group will enjoy all cross-border transactions, or for other reasons, such as the propensity to purchase goods in the

country. The second group will be limited rationality, various criteria, such as price, quality or colour, without regard to other information, such as the choice of the legal risks (Whittington, 2008).

Only important is considering those who have legal remedies against the truck. But even in this group, it is unclear whether it is actually more difficult to defend their rights in their respective countries, in accordance with the laws of another country, and access to justice (Ball, 2006).

CONCLUSION

UK and Germany are able to accept international accounting standards in countries in transition into national standards or national standards solutions. This will close in developed countries and economies in transition between the development gap between the accounting system, eliminating differences and specificities (Jermakovicz, 2007, 611-641).

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