Commentary: Has Australia (or Any Other Jurisdiction) 'Adopted' IFRS?[1]

Stephen A. Zeff & Christopher W. Nobes

This paper replies to a statement made in this journal that 'Australia definitely adopts IFRSs'. We analyse and compare the several methods that jurisdictions can use to implement International Financial Reporting Standards (IFRS). These include adopting the International Accounting Standards Board's (IASB) process of setting standards, as well as various forms of standard-by-standard implementation. We conclude that the Australian method of implementation is different in major ways from those used in such countries as Israel and South Africa, which involve adopting the IASB's process. By contrast, Australia follows a multi-step process of enrolling each new standard into a category still entitled 'Australian Accounting Standards'. To refer to the Australian method as 'adoption' of IFRS might therefore mislead, even though Australian companies eventually comply with IFRS.

Angus Thomson of the Australian Accounting Standards Board (AASB) states that: 'Australia definitely adopts IFRSs' (Thomson 2009, p. 153). This was in response to Nobes (2008, p. 283) who wrote that: 'Australia has chosen not to "adopt" IFRS, but to converge its standards with IFRS'. The distinction has major legal and political aspects. It can affect preparers, auditors and users. This paper examines the meaning of 'adoption of IFRS' in the context of jurisdictions.

Before turning to that, the term 'IFRS adoption' has also been used in the context of company choices. In the academic literature, in this context, the term has generally been used in a clear way: to mean full-scale voluntary use by a company of IFRS as issued by the IASB, before such use became compulsory in its jurisdiction (for example, Ashbaugh 2001; Ashbaugh and Pincus 2001; Barth et al. 2008; Leuz 2003; Radebaugh et al. 2006; Roberts et al. 2008). This entity-level meaning of 'adoption' is also that of the IASB's own IFRS 1 *First-time Adoption of International Financial Reporting Standards*.

A starting point for discussing the approach of *jurisdictions* to IFRS is that the International Accounting Standards Board (IASB) has no authority of its own to impose accounting standards. This feature is shared with the generality of standard setters, including the Financial Accounting Standards Board (FASB) of the United States (US). A set of standards (for example, IFRS) can be accepted into a jurisdiction by several different methods: adopting the standard setter's process, rubber stamping each standard, endorsing them (with the possibility of some differences), fully converging national standards, partially doing so, or merely *allowing* use of the IASB's standards. These methods will be examined.

This debate about adopting the process was key at an earlier stage of international standardisation. In the 1990s, the International Accounting Standards Committee (IASC) put great efforts into trying to persuade the International Organization of Securities Commissions (IOSCO) to endorse international standards by adopting the IASC's process rather than by examining its standards one by one (Kirsch 2006, p. 293; Camfferman and Zeff 2007, pp. 323–4).

Correspondence
Prof. C.W. Nobes, School of Management, Royal Holloway, Egham, TW20 0EX, UK. Tel: +44 1784 414120; email: Chris.Nobes@rhul.ac.uk

doi: 10.1111/j.1835-2561.2010.00089.x

Adopting the Process

The simplest way for regulators to use standards is for them to accept that a particular standard setter has suitable expertise and independence for its output to be legally imposed upon a class of entities. That is, the regulator can adopt a *process* of standard setting and, therefore, automatically adopt the standards that are produced by the process. There is then no need for individual standards or amendments to be given regulatory approval. Of course, the regulator could later change its mind, and it could seek to influence the development of a particular standard, as many other parties do.

This method of adopting the process is used in the US and the United Kingdom (UK) for domestic standards. The Securities and Exchange Commission (SEC) requires its US registrants to follow the FASB's standards. In its Accounting Series Release 150, issued in 1973, the SEC stated:

> In meeting this statutory responsibility effectively, in recognition of the expertise, energy and resources of the accounting profession, and without abdicating its responsibilities, the Commission has historically looked to the standard-setting bodies designated by the profession to provide leadership in establishing and improving accounting principles. The determinations by these bodies have been regarded by the Commission, with minor exceptions, as being responsive to the needs of investors.
>
> The body presently designated by the Council of the American Institute of Certified Public Accountants (AICPA) to establish accounting principles is the Financial Accounting Standards Board (FASB) . . . [T]he Commission intends to continue its policy of looking to the private sector for leadership in establishing and improving accounting principles . . .
>
> . . . For purposes of this policy, principles, standards and practices promulgated by the FASB in its Statements and Interpretations will be considered by the Commission as having substantial authoritative support, and those contrary to such FASB promulgations will be considered to have no such support. [footnote omitted]

Somewhat similarly, the Companies Acts in the UK refer to standards as issued by a standard setter. For example:

> In this Part 'accounting standards' means statements of standard accounting practice issued by such body or bodies as may be prescribed by regulations. (s. 464, Companies Act 2006)

So, a standard issued by the Accounting Standards Board needs no further regulatory action. These standards are still allowed in the UK for reporting other than for the consolidated statements of listed companies.

We have not been able to identify many countries that have used this method to adopt IFRS. We note the cases of Australia and Canada later, but conclude that those countries do not exactly fit the description. However, in Israel, the Securities Law refers to Israeli accounting standards, and Standard No. 29 of 2006 requires the use of IFRS as issued by the IASB for listed companies. Standard 29 implies that future amendments to IFRS are automatically adopted.[2]

In South Africa, the arrangements are now somewhat complex. However, for listed companies, the Johannesburg Stock Exchange requires the use of IFRS as issued by the IASB. That instruction is allowed by law to override any other accounting requirements of the Companies Act (see next section). So, for listed companies, South Africa has 'adopted the process'.

We must now acknowledge a potential difficulty for many jurisdictions: language. Let us take the example of Rubovia, a country that decides that it would like to adopt IFRS by passing a law requiring companies to follow IFRS as issued by the IASB. There would be no endorsement process (see below), and certainly no deliberate changes to IFRS. However, the Rubovians are generally unsullied by a knowledge of English. So, the Rubovian law refers to 'IFRS as issued by the IASB, as translated into Rubovian'.

The translation process takes several months. So, for example, IFRS 9 (issued by the IASB in November 2009) could have been used by Israeli companies for 2009 annual reports, but not by Rubovian companies. Would one still say that Rubovia had adopted IFRS? Yes, probably. Suppose, further, that the Rubovian governmental translators make a few errors.[3] Has Rubovia still adopted IFRS?

Other Ways of Implementing IFRS

If a jurisdiction is unwilling or unable (for reasons of practicality) to adopt the process, there are several other possible methods of implementing IFRS. However, anything other than adopting the process requires continual action by regulators because the IASB (including the International Financial Reporting Interpretations Committee) changes the content of IFRS nearly every month. Therefore, all the methods below open up possibilities for differences from IFRS as issued by the IASB. At the very least, delays occur in making IFRS available for use by entities.

Two general questions arise. First, can any of these methods be called 'adopting IFRS'? Second, what is the effect of the various methods of implementation on compliance by companies with IFRS as issued by the IASB: is it assured, possible or unlikely? We address these questions after examining the methods.

Rubber stamping in the private sector

For technical or legal reasons, it might be efficient for a jurisdiction to establish a method whereby all the IASB's output is quickly and almost automatically inserted into law without change. This is the intended approach of Canada for its 2011 implementation.[4] Canada's tradition is that the national and provincial laws refer to the *Handbook* of the Canadian Institute of Chartered Accountants (CICA). The *Handbook* contains accounting standards, in both English and French.[5] The Canadian Securities Administrators intend that CICA's Accounting Standards Board will make no changes (apart from translation) to 'IFRS as issued by the IASB' before it is inserted into the *Handbook*.

Standard-by-standard endorsement by public authorities

A particularly cumbersome method of implementing IFRS is used in the European Union. Regulation 1606/2002 requires listed companies, when preparing consolidated statements, to use the 'endorsed' versions of international standards that are appended to the Regulation. So, the standards and interpretations in force in 2002 were gradually endorsed, and all subsequent amendments need to be endorsed. Not counting all the bodies that are informally involved (for example, FEE, the *Fédération des experts comptables européens*), the endorsement process requires action from the European Financial Reporting Advisory Group (EFRAG), the Accounting Regulatory Committee, the Standards Advice Review Group, the European Commission, the European Parliament and, conceivably, even the Council of Ministers.[6]

As a result, individual pieces of the content of IFRS have implementation dates (at least for voluntary adoption) that are different from IFRS as issued by the IASB,[7] and parts of IFRS can be deleted (for example, as in the case of the 'carve-out' from IAS 39; see Whittington 2005; Zeff 2010). There are other, more complex, anomalies.[8]

Uncertainty can also be added. For example, IFRS 9 (*Financial Instruments*) was issued by the IASB in November 2009. EFRAG released fast-track preliminary advice in favour of endorsement, but the Commission asked for the advice to be withdrawn, and made it clear that IFRS 9 would not be endorsed quickly, if at all.[9]

The resulting EU package of standards is not to be referred to as IFRS, of course, but 'IFRS as adopted by the European Union' (ARC 2005; FEE 2005). Nevertheless, the titles and the numbering of the standards have not been changed. No words have been changed and nothing has been added, and indeed that seems not to be allowed by the endorsement process.[10]

Having said that 'no words have been changed', we need again to refer to translation. The EU endorses many different language versions of the IASB's output.[11] Inevitably, this involves translation difficulties, including making errors (Evans 2004; Nobes 2006, p. 237). This is a further aspect of 'IFRS as adopted by the EU'.

Whether a company can simultaneously comply with EU-endorsed IFRS and IFRS as issued by the IASB is discussed later. However, this EU method of implementation is clearly different from 'adopting the process' as discussed in the previous section. The practical results include the different implementation dates and the different versions of IAS 39. Further, it would certainly be possible for major incompatibilities between the two sets of standards to open up, as seemed possible in October 2008 in the context of financial instruments (Zeff 2010).

It is more difficult to categorise the position of South Africa for unlisted companies. For them, the IASB's standards and interpretations have had to be approved by the Accounting Practices Board (APB), whereby they are turned into South African GAAP. The Companies Act 2009 establishes a Financial Reporting Standards Council (to replace the APB) that will approve the content of IFRS and recommend it to the appropriate government minister. The standards retain their IASB numbers and titles, but are also given South African numbering.

This is a form of standard-by-standard endorsement. There might be scope in South Africa for deletions or other changes to IFRS. However, suppose that, in practice, no alterations are made, except that there would be a delay in making the IASB's output available. We could then put South African GAAP in the same category as South Africa (listed companies) above.

Fully converging?

Nobes (2008) suggested that the Australian method of implementing IFRS could be described as very close convergence. As Thomson (2009, p. 153) recorded, it involves the AASB in: changing the designation of the standards (for example, from IAS 7 to AASB 107), adding references, inserting departures for not-for-profit entities, and tabling the standards in the Australian Parliament. The AASB also adds a few disclosure requirements. The resulting standards are clearly different documents from the originals issued by the IASB. Thomson noted that the AASB referred to the package as 'Australian equivalents to IFRSs'.

One further aspect of the *initial* implementation of IFRS in Australia in 2005 was the deletion of a number

© 2010 CPA Australia

of options from IFRS (for example, the indirect method of calculating cash flows from IAS 7, and proportionate consolidation from IAS 31). Arguably, this improved the standards, but we suggest that it would be misleading to state that Australia had adopted IASs 7 and 31, and therefore that it had adopted IFRS in general. These deletions were reversed by the AASB in 2007. However, given these Australian precedents for differences from IFRS, there could in future be others, perhaps including incompatibilities with IFRS.

Removal by the AASB of the early adoption options in IFRS was another feature that was confined to its initial implementation. Since then, new Australian versions of IFRS leave any such options in place. The AASB has also been abandoning the term 'Australian equivalents to IFRSs' as it might be interpreted to imply less than full convergence with IFRS.

The current versions of the Australian standards (and even the initial ones of 2004) should ensure compliance with IFRS as issued by the IASB, as discussed below. However, the standards are not themselves 'as issued by the IASB'. We try to conclude, below, on an appropriate description for the Australian process.

Partially converging

Of course, there are examples of much less complete convergence than Australia has achieved. For instance, the Chinese adaptations of IFRS are very close in the case of some standards, but not very close for others (for example, impairment) (Deloitte 2006). Despite this, the IASB's website shows China as one of the many countries that 'require or permit IFRSs', under the general heading of 'IFRS adoption and use around the world'. This is misleading.

Some other jurisdictions adopt IFRSs en bloc into national law, but not on a continuous basis. As a result, many new standards and amendments do not come into force when the IASB intended. The package of standards at any date might therefore be far from IFRS as issued by the IASB. This is the position, for example, for Venezuela.[12] That country is also shown, misleadingly, by the IASB's website as requiring or permitting IFRS.

So, What is Adoption of IFRS?

We can now address the issue with which we began: was Thomson (2009) right to state that 'Australia definitely adopts IFRS'?

Figure 1 portrays our characterisation of methods of implementing IFRS for the consolidated statements of listed companies in seven countries and the EU.[13] On the left is 'adopting the process', and that is clearly a method of 'adopting IFRS'. As we move further to the right, 'adoption' becomes less suitable as a description of the regulator's decision-making process.

Let us suppose that Canada rapidly rubber-stamps all IFRS output and makes no translation errors into French. It would then seem fair to say that it had adopted IFRS. Even so, to say that 'Israel and Canada have adopted IFRS' would be to obscure an important distinction.

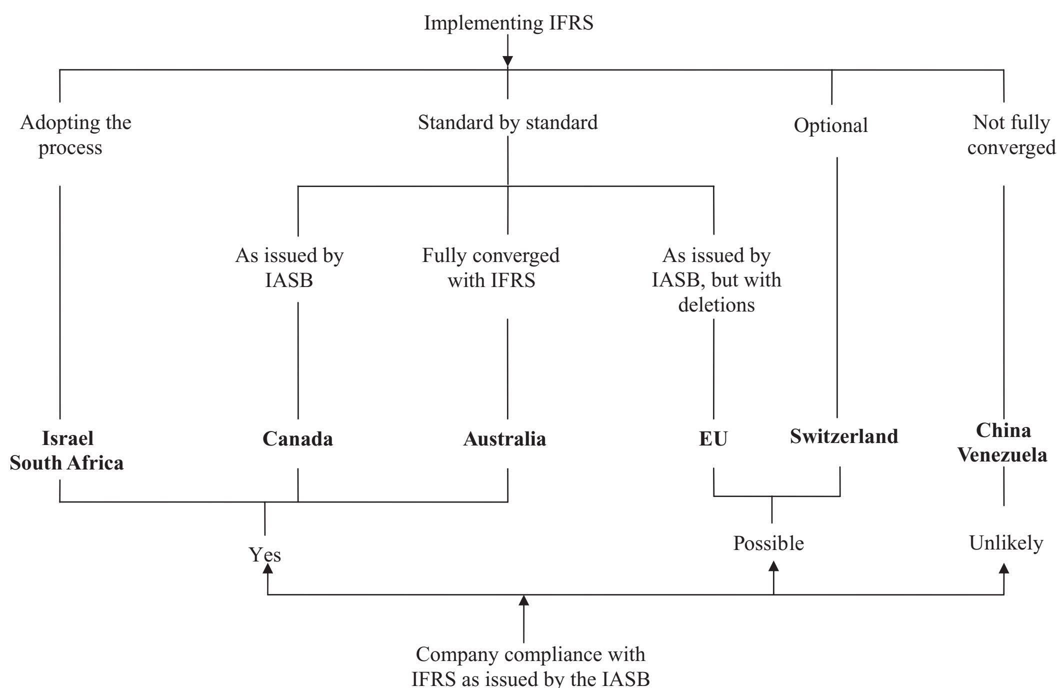

Figure 1 Methods of implementing IFRS (consolidated statements of listed companies)

By contrast, as noted earlier, Australia changes the designation of the standard, makes various textual changes, adds a few disclosure requirements, and (initially) removed early adoption and deleted options. Even now, there is a short delay between the issue of a standard by the IASB and its emergence from the Australian process. In our view, for these reasons, it is misleading to call this Australian implementation 'adoption of IFRS'. We therefore question Thomson's unadorned 'definitely adopts'. We admit that an appropriate term is hard to find. Above, we have a heading 'fully converging?'. Other possible descriptions are 'light screening' or 'standards that incorporate IFRS'. There is also a difficulty in describing the EU's version of IFRSs; perhaps they are 'as adapted' rather than 'as adopted'.

A related, but distinctly different, matter is whether entities in a jurisdiction comply with IFRS. To that we now turn.

Company Compliance with IFRS

Irrespective of which of the above methods of implementation of IFRS is taken in a jurisdiction, there is still the question of whether a particular company complies or not with IFRS as issued by the IASB.

Even in jurisdictions that have adopted the IASB's process (for example, Israel or South Africa), it would be possible for a company not to comply with IFRS if it inadvertently or deliberately broke the rules. By contrast, in the EU, companies are not required to comply with IFRS as issued by the IASB, but can choose to do so, at the same time as fulfilling the legal requirement to follow IFRS as adopted by the EU. This is achieved by a company denying itself the extra opportunities for hedge accounting offered by the EU's version of IAS 39; that is, with the carve-out. The other potential problem (the delay caused by endorsement) has so far not arisen, in the sense that all the IASB's output has been endorsed in time for its compulsory application.[14]

In Australia, at present, if companies comply with the Australian equivalents of IFRS, then they comply with IFRS as issued by the IASB. This was the case even when options (for example, those in IASs 7 and 31) had been removed. However, under adaptations in other countries that are less close to the originals (for example, the Chinese one), compliance with IFRS as issued by the IASB is unlikely to be achievable without producing non-statutory statements.

Of course, even if a jurisdiction has taken *none* of the above approaches to implementing IFRS, its companies might still be able to comply. For example, in Switzerland, IFRS is one of the possibilities in the requirements for the consolidated statements of listed companies. So, Swiss groups can present statements that comply with IFRS as issued by the IASB for regulatory purposes. The bottom part of Figure 1 records the position on company compliance for Switzerland and for the other jurisdictions mentioned above.

To what degree do auditors affirm compliance with IFRS as issued by the IASB in jurisdictions that have not 'adopted the process'? Nobes and Zeff (2008) examined the audit reports of companies included in the indices of the five largest stock exchanges of countries that had implemented IFRS in 2005–06: Australia, France, Germany, Spain and the UK.[15] They found that none of the French or Spanish audit reports affirmed compliance with IFRS as issued by the IASB, although 22% of the German and 17% of the British index companies did so. In the case of the British companies, this 'dual audit reporting' was generally achieved by presenting two separate audit opinions (one on EU-IFRS and one on IASB-IFRS). It was found most often for companies audited by one firm (Deloitte) and was associated with the company being SEC-registered.

Nobes and Zeff (2008, p. 281) suggest that most companies therefore do not grant to users (especially foreign users) one of the main benefits emerging from 40 years of international standardisation: helping the users to understand the financial reporting. That is, there is limited usefulness in a company's complying with IFRS unless it asks the auditors to attest to that.

Most countries outside the EU have legislation or regulation that requires the auditor to affirm compliance with national GAAP, not with IFRS of any kind.

In 2005–06, the Australian position was of that type; that is, Australian companies were complying with IFRS as issued by the IASB, but audit reports generally referred to compliance with Australian standards only. However, Australian (and New Zealand) *auditing* standards were changed in 2007 to require reference to both domestic standards and IFRS.[16]

Conclusions, and Hope for the Future

The benefits of international standardisation (for example, in terms of reduced cost of capital for companies with internationally traded securities) are most likely to be achieved if: (1) the IASB can produce a set of high-quality standards; (2) regulators require listed companies to follow them; (3) the companies comply; and (4) the companies and their auditors report on the compliance.

Issue (1) was the topic that began another debate in this journal (Haswell and Langfield-Smith 2008a; Bradbury 2008; Nobes 2008; Haswell and Langfield-Smith 2008b). Issue (2) is the main topic of this paper. It was referred to in passing by Nobes (2008) and led Thomson (2009) to state that 'Australia definitely adopts IFRSs'. We have shown that the middle two of Thomson's four words are contentious.

© 2010 CPA Australia

The safest way for a jurisdiction to ensure the continuance of conditions (2) to (4) is for it to 'adopt the process'; that is, to require classes of entities to follow IFRS as issued by the IASB. This can be done without abrogating responsibility because the regulator can monitor the IASB's due process and can, *in extremis*, revoke the requirement.

The alternative implementation strategies (such as endorsement or convergence, as in the top part of Figure 1) add to the opportunities for political interference in the implementation of standards by requiring one or more bodies to attend to each change in IFRS, however small. These strategies can bring delays in the availability of the IASB's output, and they can lead to confusion about which accounting rules are being used (issue (4) above), even when there has been compliance with IFRS as issued by the IASB.

Issue (3) concerns compliance. We have noted that the word 'adopt' is being over-worked, because it is used in the context of an entity complying with IFRS, as well as referring to several different methods of its implementation by jurisdictions. As recorded in the bottom part of Figure 1, compliance with IFRS as issued by the IASB is not assured by some of those methods.

The policy recommendations are clear. First, regulators should ideally 'adopt IFRS' in the pure sense by adopting the IASB's process. This would save some effort, avoid delays and add clarity for companies and users. Few regulators have done this. Yet there is the possibility that the SEC might do so. In the rule release in which it dropped the US GAAP reconciliation for certain foreign registrants (SEC 2007), the SEC accepted 'IFRS as issued by the IASB'. In its rule proposal on the use of IFRS by US registrants (SEC 2008), the SEC appeared to be proposing to do the same; that is, to accept the process of the IASB in the same way as it presently accepts the process of the FASB. In a more recent statement, the SEC (2010, p. 2) referred to 'incorporating IFRS into the financial reporting system for U.S. issuers'. If the SEC adopts the process, that might encourage other regulators to follow. Our policy recommendation also applies to the adoption by jurisdictions of IFRS for SMEs, although the legal problems can be different.[17]

The second policy recommendation relates to jurisdictions that at present endorse IFRS or fully converge. They should require statements of compliance (by companies and auditors) with IFRS as issued by the IASB, in cases where that is appropriate. Here Australia and New Zealand took the lead, but the EU has not yet followed.

Stephen Zeff is Herbert S. Autrey Professor of Accounting at Rice University in Houston, Texas. He is an honorary member of CPA Australia. Christopher Nobes is Professor of Accounting at Royal Holloway, University of London. *They are grateful for comments on an earlier draft from Jane Davison (Royal Holloway), Paul Pacter (IASB and Deloitte), R.H. Parker (University of Exeter), Christian Stadler (Royal Holloway) and Angus Thomson (Australian Accounting Standards Board). They are also grateful for advice from Benzion Barlev, Moshe Bareket, Tricia O'Malley, Marion Kirsh and Geoff Everingham. Christopher Nobes acknowledges support for research from the Association of Chartered Certified Accountants.*

Notes

1. This commentary completes a sequence of published commentaries on an article by Stephen Haswell and Ian Langfield-Smith that appeared in *AAR* (2008, 18, 1: 46–62). Zeff and Nobes are responding to a commentary written by Angus Thompson (2009, 19, 2: 153), which in turn was a response to a commentary on the Haswell and Langfield-Smith paper written by Nobes (2008, 18, 4: 283–6). An additional commentary on the Haswell and Langfield-Smith paper was written by Bradbury (2008, 18, 4: 287–93).
2. The standard is entitled 'Adopting International Financial Reporting Standards'. Paragraph 3 requires entities subject to the Securities Law to use IFRS for periods starting on or after 1 January 2008.
3. Even without 'errors', translation of accounting terms is fraught with difficulty (Evans 2004).
4. We are grateful for advice here from Marion Kirsh, Associate Chief Accountant of the Ontario Securities Commission and from Tricia O'Malley, Chair of Canada's Accounting Standards Board.
5. Some translations are 'official' in that they are reviewed by a committee of the IASC Foundation. The CICA will be the official translator into Canadian French.
6. European Parliament legislative resolution of 14 November 2007 on COM (2006) 0918-C6-0029/2007-2006/0298 (COD).
7. Even the mandatory date can be different. For example, IFRIC 12 was endorsed by the EU in March 2009. It contained a mandatory adoption date later than that as issued by the IASB.
8. For example, it is informally accepted in the EU (for example, Accounting Regulatory Committee meeting of 2 February 2007) that a parent company which is exempted under a national law from preparing consolidated statements is exempted under EU-IFRS even if not by IAS 27.
9. See, for example, the 'EU endorsement status report' at <http://www.efrag.org>.
10. That is, the Commission and others can endorse or not. In the crisis surrounding the initial endorsement of IAS 39, this was interpreted as allowing deletions but not amendments.
11. In 2010, there are 22 versions.
12. The Deloitte website (<http://www.iasplus.com>, accessed on 17 February 2010) states that Venezuela has not adopted any new IASB documents since 2004.
13. In some cases, the implementation spreads further (for example, to unlisted entities or to unconsolidated statements), but the story then becomes very complex.
14. An example of last-minute endorsement was that of IAS 1, as amended by the IASB in September 2007, to be in force for periods beginning on or after 1 January 2009. This was endorsed by the EU on 18 December 2008. As mentioned in footnote 6, IFRIC 12 (required for 31 December 2008 statements) was not endorsed until 29 March 2009, but could have been complied with because it was not inconsistent with endorsed-IFRS.
15. The indices used were the ASX 50, CAC 40, DAX 30, IBEX 35 and FTSE 100.

© 2010 CPA Australia

16 ASA 700 of the Australian Auditing and Assurance Standards Board.

17 For example, in the EU, SME-IFRS is not covered by Regulation 1606/2002, so it is only in the context of laws based on the Directives that SME-IFRS can be used for statutory reporting.

References

ARC 2005, See the 'Draft Summary Record' of the meeting of ARC on 30 November 2005. Available at: <http://ec.europa.eu/internal_market/accounting/docs/arc>.

Ashbaugh, H. 2001, 'Non-US firms' Accounting Standard Choices', *Journal of Accounting and Public Policy*, 20: 129–53.

Ashbaugh, H. and Pincus, M. 2001, 'Domestic Accounting Standards, International Accounting Standards, and the Predictability of Earnings', *Journal of Accounting Research*, 39, 3: 417–34.

Barth, M., Landsman, W. and Lang, M. 2008, 'International Accounting Standards and Accounting Quality', *Journal of Accounting Research*, 46, 3: 467–98.

Bradbury, M. 2008, 'Fifty-seven Curious Defects in Haswell and Langfield-Smith (2008): A Comment', *Australian Accounting Review*, 18, 4: 287–93.

Camfferman, K. and Zeff, S. 2007, *Financial Reporting and Global Capital Markets: A History of the International Accounting Standards Committee, 1973–2000*, Oxford University Press, Oxford.

Canadian Institute of Chartered Accountants, various years, *CICA Handbook*, Canadian Institute of Chartered Accountants, Toronto.

Deloitte 2006, *China's New Accounting Standards*, Deloitte Touche Tohmatsu.

Evans, L. 2004, 'Language Translation and the Problem of International Communication', *Accounting, Auditing & Accountability Journal*, 17, 2: 210–48.

Fédération des Experts Comptables Européens (FEE) 2005, *Reference to the Financial Reporting Framework in the EU in Accounting Policies and in the Audit Report and Applicability of Endorsed IFRS*, FEE, Brussels.

Haswell, S. and Langfield-Smith, I. 2008a, 'Fifty-seven Serious Defects in 'Australian' IFRS', *Australian Accounting Review*, 18, 1: 46–62.

Haswell, S. and Langfield-Smith, I. 2008b, 'Serious IFRS Defects a Trifling Matter? Reply to Two Commentaries on '57 Serious Defects in "Australian IFRS"', *Australian Accounting Review*, 18, 4: 294–6.

Kirsch, R.J. 2006, *The International Accounting Standards Committee: A Political History*, Wolters Kluwer, Kingston-upon-Thames.

Leuz, C. 2003, 'IAS Versus U.S. GAAP: Information Asymmetry-based Evidence from Germany's New Market', *Journal of Accounting Research*, 41, 3: 445–72.

Nobes, C.W. 2006, 'The Survival of International Differences under IFRS: Towards a Research Agenda', *Accounting and Business Research*, 36, 3: 233–45.

Nobes, C.W. 2008, '57 Varieties of Serious Defects in IFRS?', *Australian Accounting Review*, 18, 4: 283–6.

Nobes, C.W. and Zeff, S.A. 2008, 'Auditor Affirmations of Compliance with IFRS Around the World: An Exploratory Study', *Accounting Perspectives*, 7, 4: 279–92.

Radebaugh, L.H., Gray, S. and Black, E.L. 2006, *International Accounting and Multinational Enterprises*, John Wiley & Sons, NJ.

Roberts, C., Weetman, P. and Gordon, P. 2008, *International Corporate Reporting*, Prentice Hall, Harlow.

Securities and Exchange Commission (SEC) 1973, *Statement of Policy on the Establishment and Improvement of Accounting Principles and Standards*, Accounting Series Release No. 150, 20 December, SEC, Washington, DC.

Securities and Exchange Commission (SEC) 2007, *Acceptance from Foreign Private Issuers of Financial Statements Prepared in Accordance with International Financial Reporting Standards without Reconciliation to U.S. GAAP*, 33-8879, 21 December, SEC, Washington, DC.

Securities and Exchange Commission (SEC) 2008, *Roadmap for the Potential Use of Financial Statements Prepared in Accordance with International Financial Reporting Standards by U.S. Issuers*, 33-8982, 15 November, SEC, Washington, DC.

Securities and Exchange Commission (SEC) 2010, *Commission Statement in Support of Convergence and Global Accounting*, 33-9109, 24 February, SEC, Washington, DC.

Thomson, A. 2009, 'Comment: Australia's Adoption of IFRSs – A Clarification from the AASB', *Australian Accounting Review*, 19, 2: 153.

Whittington, G. 2005, 'The Adoption of International Accounting Standards in the European Union', *European Accounting Review*, 14, 1: 127–53.

Zeff, S.A. 2010, 'Political Lobbying on Accounting Standards – US, UK and International Experience', chapter 11, in C. Nobes and R. Parker (eds), *Comparative International Accounting*, Prentice-Hall, Harlow.

© 2010 CPA Australia