Cross-country Differences in Reporting Practices – the Case of Provisions for Liabilities
Katarzyna Klimczak

Submitted: 27.03.17. Final acceptance: 04.06.17

Abstract

Purpose: The aim of the study was to explore and compare reporting practices on provisions for liabilities in different countries.

Methodology: The research was limited to the types of provisions that are addressed in the International Accounting Standard 37 – Provisions, Contingent Liabilities and Contingent Assets. For the purpose of the study, financial statements of the biggest public companies in Great Britain, Germany and Poland have been chosen to be taken into consideration.

The following detailed issues have been explored:
– Presentation of the types of provisions in a statement of financial position and additional notes to a financial statement,
– Presentation of the amounts of provisions made, used, and reversed during a given period and the effects of changes in the discount rate,
– Scope and quality of descriptions of the nature of obligations presented by entities.

The results of the analysis have been viewed from two perspectives – the areas of compliance and non-compliance of reporting on provisions with IFRS have been identified and a comparison of the extent of compliance with particular requirements between companies from different countries has been developed.

Findings: The results of the analysis have revealed that companies from selected countries demonstrate different levels of compliance with International Financial Reporting Standards (IFRS). Substantial differences in the scope and the quality of descriptive disclosures on provisions have been also identified.

Originality/value: The study contributes to the research on cross-country differences in reporting practices and indicates the need for a further analysis of the underlying determinants.

Keywords: financial reporting, liabilities, provisions, cross-country differences, reporting practices

JEL: M41, M40

1 Warsaw School of Economics
Correspondence address: Warsaw School of Economics, Collegium of Management and Finance, 162 Niepodległości Al., 02-554 Warsaw, e-mail: katarzyna.klimczak@sgh.waw.pl.
Cross-country Differences in Reporting Practices – the Case of Provisions for Liabilities

Introduction

Since the adoption of IFRS in 2005, publicly traded companies in the European Union have been obliged to prepare consolidated financial statements under one set of uniform accounting standards. However, the literature of the subject suggests that even after the adoption of IFRS, many accounting practices are still not uniform.

Nobes (2006) pointed to the following sources of opportunity for the survival of international differences in reporting practice despite the adoption of IFRS:

- Different versions of IFRS,
- Different translations of IFRS,
- Gaps in IFRS,
- Overt options, vague criteria and interpretations in IFRS,
- Estimations in IFRS,
- Transitional or first-time adoption issues, and
- Imperfect enforcement of IFRS.

Zeff (2007) suggests that four cultures – business and financial culture, accounting culture, auditing culture, and regulatory culture differ across one country to another, and this is one of the factors that could interfere with promoting genuine worldwide comparability of financial reporting. Holthausen (2009) concludes that the goal of a complete uniformity of financial reporting under IFRS will not be fully attained unless the underlying institutional and economic factors evolve to become more similar as well, which – according to Holthausen – seems unlikely (or at least more costly and time-consuming than changing accounting standards). Chand et al. (2008) identify three dominant factors that continue to act as constraints on the convergence process, even after the adoption of IFRS. These include: the nature of business ownership and the financial system, the culture, and the level of accounting education and experience of professional accountants in each of the different countries. The above theoretical suggestions about the lack of uniformity of cross-county accounting practices after IFRS adoption have been confirmed by a number of recent empirical studies.

Kvaal and Nobes (2010) and Haller, Wehrfritz (2013) examine whether there are systematic differences in IFRS accounting policies between countries and find significant evidence that pre-IFRS national practice continues where this is allowed within IFRS. Kvaal and Nobes (2012) compare the policy choices made by German, Australian, UK, French and Spanish companies in 2008/2009 with those made in the year of transition to IFRS and provide evidence that national patterns of IFRS practice continue through
the period. Stadler and Nobes (2014) offer a framework to hypothesize how country, industry, and topic factors influence the policy choice under IFRS, and find that country factors have an influence on the IFRS policy selection. Cole et al. (2011) check the accounting policy choices of companies in selected countries on 34 topics on which IFRS allows a choice and find that for the majority of topics the majority of companies use different accounting treatment. Nobes (2011) also looks at accounting policy choices on 13 issues where IFRS allows a choice in selected countries, and concludes that international differences are clearly visible and countries form the same groupings (Anglo-Saxon and Continental) as they did decades ago. Nobes and Perramon (2013) compare the accounting choices of small and large publicly-traded companies in Australia, France, Germany, Spain and the UK, and conclude that harmonization of accounting practice is still far from complete, and that the lack of harmonization is particularly noticeable for smaller listed companies. Kvaal and Nobes (2013) identify systematic differences in tax disclosures of IFRS-reporting companies from different countries. Sundgren et al. (2013) find considerable cross-country variations in the level of disclosures about the assumptions used in determining fair value by publicly traded companies from the real estate sector in the EU. Barbu and colleagues’ (2012) investigation on mandatory environmental disclosures by companies complying with IFRS in France, Germany and the UK supports the view that IFRS are not applied consistently by firms across countries. Bischof (2009) finds that the effects of IFRS adoption on bank disclosure in Europe vary substantially across countries.

Glaum et al. (2013) examine compliance with IFRS 3 and IAS 36 required disclosures across 17 European countries and find evidence of substantial non-compliance determined by company and country specific factors. Amiraslani et al. (2014) find significant differences in the matter of compliance with disclosure requirements relating to impairments of non-current non-financial assets in reports of companies form 25 European countries.

This paper addresses the question of cross-country differences in reporting practices by investigating disclosures for provisions presented in financial statements of companies from three European countries. Companies from Great Britain, Germany and Poland have been included in the study. In the majority of accounting model classifications that have been propounded by researchers for more than 100 years, Germany and Great Britain are shown as representatives of completely different accounting traditions (Hatfield, 1911; Mueller, 1967, Seidler, 1967; Nair and Frank, 1980; Nobes, 1983). Great Britain is referred to as an example of the Anglo-Saxon model, whereas Germany – as depictive of the continental model (Mueller, Gernon and Meek, 1994; Nobes, 2011). Poland was classified as belonging to the group of transitional economies.
undergoing the process of accounting reforms, and afterwards considered as leaning towards the continental accounting model (Mueller, Gernon and Meek, 1994, Nobes and Parker, 2012). Continental and Anglo-Saxon accounting demonstrate completely different philosophy in terms of the approach to provisions, which is deeply rooted in the socio-economic environment of accounting. Continental accounting, with its overriding principle of conservatism, allows for setting up provisions on a very large scale and puts little emphasis on obligatory disclosure, whereas Anglo-Saxon accounting doesn't facilitate a heavy use of provisions and relies on adequate disclosure of provisions (Ballwieser, 2001; Seckler and Voss, 2003; Cooke et al., 2001; Alexander et al., 1996; Joos and Lang, 1994, Klimczak, 2013). Taking into account the results of studies to date showing the persistence of disparities in accounting and financial reporting between companies from different countries applying the IFRS and radically different traditions in relation to provisions of British, German and Polish companies, it may be hypothesized that differences in reporting practices on provisions under IFRS will be identified successfully.

Research design

The study focused on the 20 largest companies listed on the London, Frankfurt and Warsaw Stock Exchange (companies listed on FTSE 100, DAX, and WIG 20). The analysis included consolidated financial statements for 2015 that were drawn up in accordance with IFRS. A review of the available disclosures for provisions for liabilities presented in the financial statements did not include provisions for employee benefits and deferred tax liabilities – it was limited only to the types of provisions which are addressed in the International Accounting Standard 37 – Provisions, Contingent Liabilities and Contingent Assets. For the purpose of further analysis, the provisions constituting the subject of the study will be defined as Other provisions. IFRS sets out the recognition criteria, measurement bases, and presentation rules that should be applied to provisions to enable users of financial statements to understand their nature, timing, and amount. As the study was devoted to reporting of provisions, the main requirements of IFRS concerning presentation rules constituted the basis for posing research questions.

The Table 1 lists IFRS requirements and the research questions formulated on their basis.
Table 1. Research questions formulated on the basis of requirements under IFRS

| No. | International Financial Reporting Standards requirements | Research questions |
|-----|---------------------------------------------------------|-------------------|
| 1.  | In the statement of financial position, entities should account for the Provisions and Deferred tax provisions items separately. Furthermore, entities may present additional line items or item categories in relation to provisions. | Has the provisions category been treated as a separate item in the balance sheet? |
| 2.  | Entities should disclose subclasses (types) of provisions in their notes to the financial statements where provisions should be divided at least into provisions for employee benefits and other provisions. | Have the categories of Other provisions been specified in the notes to the financial statements? |
| 3.  | For each class of provision, an entity shall disclose: a) The carrying amount at the beginning and end of the period; b) Additional provisions made in the period, including increases to existing provisions; c) Amounts used (i.e., incurred and charged against the provision) during the period; d) Unused amounts reversed during the period; and e) The increase during the period in the discounted amount arising from the passage of time and the effect of any change in the discount rate. | Have the corresponding figures for the given provisions been disclosed in the appropriate breakdowns? |
| 4.  | For each class of provision, an entity shall disclose: a) A brief description of the nature of the obligation (liability) and the expected timing of any resulting outflows of economic benefits; b) An indication of the uncertainties about the amount or timing of those outflows. | Has the required descriptive information concerning Other provisions been disclosed? |

Source: author’s own work based on IFRS requirements.

A positive response to the research question for requirements 1–3 was considered as compliance with the analysed requirement, whereas a negative answer was taken to signify non-compliance therewith.

In the case of addressing question 4, the following procedure was adopted:

Firstly, the most important (the largest item in value terms) was identified among all the liabilities in the Other provisions class.

Secondly, it was examined whether or not a description of the nature of a given liability was at all presented anywhere in the financial statements.
Thirdly, attempts were made to evaluate the scope and the quality of that description. The following scale was used for this purpose:

0 – The obligation is only mentioned within categories of provisions for liabilities (its value and its changes throughout the reporting period are indicated),
1 – Basic information has been disclosed about the liability,
2 – A broader description of the nature of the liability has been provided,
3 – A comprehensive and exhaustive description of the nature of the liability has been given.

Fourthly, it was examined whether or not any descriptive information about the type of Other categories of provisions from the Other provisions group was provided in the financial statements. Attempts were made to evaluate the scope and the quality of the description. The following scale was used for this purpose:

0 – Liabilities are only mentioned within categories of provisions for liabilities (their value or changes throughout the reporting period were indicated),
1 – Basic information was disclosed about the particular categories of provisions for liabilities,
2 – Basic information was disclosed on the particular categories of provisions for liabilities along with a broader description in relation to certain categories,
3 – A detailed description was presented in relation to all categories of provisions for liabilities.

In order to supplement the above information, the fact as to whether or not companies specified the expected timing of any resulting outflows of economic benefits related to particular types of provisions was explored.

**Results of the analysis**

The results of the analysis may be viewed from two perspectives.

First, the areas of compliance and non-compliance of reporting on provisions with IFRS can be identified.
Second, a comparison of the extent of compliance with particular requirements among companies from different countries can be made.

The Table 2 presents the findings concerning compliance of reporting with IFRS for the entire group of the studied enterprises.

It can be concluded that the first 3 requirements are met by most companies, which means that they report a separate item for the provisions category in the balance sheet, they breakdown Other provisions into detailed subclasses (types) in the notes to the financial statements, and present the required figures concerning provisions. However, not all companies report descriptive data about the provisions, and even fewer companies disclose information about the expected dates of cash outflows.

Attempts have been also made in the study to evaluate the quality of the descriptive data.

Table 2. Compliance of the analysed aspects of reporting Other provisions with IFRS – findings for 60 analysed companies

| Examined aspect of reporting | Proportion of companies meeting IFRS reporting requirements | Proportion of companies failing to meet IFRS reporting requirements |
|-----------------------------|-------------------------------------------------------------|---------------------------------------------------------------|
| Reporting of a separate item for the provisions category in the balance sheet | 88% | 12% |
| Breakdown of Other provisions into detailed subclasses (types) in the notes to the financial statements | 98% | 2% |
| Presentation of figures concerning particular categories of Other provisions in a suitable breakdown | 93% | 7% |
| Disclosure of a description of the nature of the obligation (liability) of the most important provision from Other Provisions | 88% | 12% |
| Disclosure of the description of the nature of the obligation (liability) of all categories of Other provisions | 75% | 25% |
| Disclosure of information on the projected cash outflow dates connected with established provisions | 45% | 55% |

Source: author’s own work based on the financial statements of all studied companies.
Figure 1. Description of the most important liability from the Other provisions category

- A comprehensive and exhaustive description of the nature of the liability has been given: 17 companies
- A broader description of the nature of the liability has been provided: 8 companies
- Basic information has been disclosed about the liability: 27 companies
- The obligation is only mentioned within categories of provisions for liabilities (its value and its changes throughout the reporting period are indicated): 8 companies

Source: author’s own work on the basis of the financial statements of all studied companies.

Figure 2. Description of other liabilities (apart from the most important ones) from the other provisions category

- A detailed description was presented in relation to all categories of provisions for liabilities: 3 companies
- Basic information was disclosed on the particular categories of provisions for liabilities along with a broader description in relation to certain categories: 25 companies
- Basic information was disclosed about the particular categories of provisions for liabilities: 27 companies
- Liabilities are only mentioned within categories of provisions for liabilities (their value or changes throughout the reporting period were indicated): 5 companies

Source: author’s own work on the basis of the financial statements of all studied companies.
Figure 1 presents how the most important liability from the Other provisions was evaluated. As many as 8 companies out of 60 failed to disclose any descriptive data about the most important provisions, and almost half reported only the basic information concerning the said provisions. The Figure 2 presents how the description of other liabilities from the Other provisions category was evaluated.

Almost half of the companies only disclosed the basic information concerning Other provisions. The other 25 companies decided to present basic information on the particular categories of provisions along with a broader description in relation to the chosen categories. The outcome of the analysis may be viewed from the perspective of a cross-country level. The table 3 below presents the findings concerning compliance of reporting with IFRS for companies from the selected countries.

**Table 3.** Compliance of analysed aspects of reporting Other provisions with IFRS — findings on a cross-country level

| Examined aspect of reporting                                      | Proportion of companies meeting IFRS reporting requirements (Proportion of companies failing to meet IFRS reporting requirements) |
|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
|                                                                   | Great Britain | Germany | Poland |
| Reporting of a separate item for the provisions category in the balance sheet | 95% (5%) | 85% (15%) | 80% (20%) |
| Breakdown of Other provisions into detailed subclasses (types) in the notes to the financial statements | 100% (0%) | 100% (0%) | 95% (5%) |
| Presentation of figures concerning particular categories of Other provisions in a suitable breakdown | 100% (0%) | 95% (0%) | 84% (16%) |
| Disclosure of a description of the nature of the obligation (liability) of the most important provision from Other Provisions | 100% (0%) | 85% (15%) | 79% (21%) |
| Disclosure of the description of the nature of the obligation (liability) of all categories of Other provisions | 100% (0%) | 65% (35%) | 55% (45%) |
| Disclosure of information on the projected cash outflow dates connected with established provisions | 70% (30%) | 25% (75%) | 42% (58%) |

Source: author’s own work on the basis of the financial statements of all studied companies.
For each requirement, in the column concerning a given country, the participation of companies meeting a given requirement was provided first and next to that (in brackets), the participation of companies failing to meet the given requirement was indicated. British companies were found to have the largest share in the group of companies meeting the requirements in each of the studied obligations, with German companies ranking second, and Polish companies – third. The analysis provided some insights into the quality of the descriptive information disclosed by companies across the countries. The table 4 presents the scores obtained by companies in given countries for the description of the most important liability from the Other provisions category.

Table 4. Scores for the description of the most important liability from the Other provisions category

| Score | Great Britain | Germany | Poland |
|-------|---------------|---------|--------|
| 0     | 0             | 3       | 5      |
| 1     | 10            | 13      | 4      |
| 2     | 2             | 0       | 6      |
| 3     | 8             | 4       | 5      |

Source: author’s own work on the basis of the financial statements of all studied companies.

The top score was obtained by 8 of the studied British Companies, 4 of the analysed German Companies, and 5 of the Polish companies subject to analysis. The lowest score was obtained by none of the British companies, by 3 of the German companies, and by 5 of the Polish companies. The average score obtained for the description of the most important liability from the Other provisions category was 1.9 for British companies, 1.25 for German companies, and 1.55 for Polish companies.

The Table 5 presents the scores obtained by the studied companies in particular countries for the description of other liabilities from the Other provisions category.
Table 5. Scores for the description of other liabilities (apart from the most important ones) from the Other provisions category

| Score | Great Britain | Germany | Poland |
|-------|---------------|---------|--------|
| 0     | 0             | 0       | 4      |
| 1     | 11            | 12      | 5      |
| 2     | 8             | 8       | 9      |
| 3     | 1             | 0       | 2      |

Source: author’s own work on the basis of the financial statements of all studied companies.

The average score obtained for the description of other liabilities was 1.5 for British companies, 1.4 for German companies, and 1.45 for Polish companies.

Conclusions

The results of the analysis revealed that British companies demonstrated a better level of compliance with IFRS than German and Polish companies. British companies also disclosed more comprehensive descriptive information about their provisions. A lower degree of conformity with IFRS was found in the case of German and Polish companies. However, it is worth noting that Polish companies provided more exhaustive descriptive information and obtained a higher score for descriptive data compared to German enterprises. Despite the fact that all of the studied companies apply the same accounting policies, the analysis showed that differences exist between them in terms of their reporting practices. The results of this study confirm the hypothesis propounded in the literature devoted to the subject and verified in some empirical research, namely that despite the convergence of accounting standards and the adoption of IFRS, some international differences still exist. The conducted study does have certain limitations, though.

Firstly, the subject of the research concerned exclusively the reporting practices concerning provisions. The procedures and the decisions related to the creation, valuation, and release of provisions applied by the reporting companies and any differences that could be found in this scope were not analysed. Some previous research gives certain insights into this issue (Schultz and Lopez, 2001; Wehrfritz and Haller, 2014). Only the final stage of provision recognition in accounting – the disclosure – was investigated.
in the study. However, the very fact that the study was actually devoted to the reporting practices of provisions may be justified by the circumstances that significant differences could also be found between the traditional accounting models in selected countries also in this aspect (which could have formed the grounds for expectation of differences also in the scope of the present reporting practices).

Secondly, the study covered a relatively small sample of 60 companies (20 largest listed companies across three countries). Nevertheless, the results of the analysis demonstrate explicitly that cross-country differences do exist in the scope of the presentation of provisions, and may justify continuation of the study on a larger sample of companies and countries involved.

The research objective was to compare the reporting practices in selected countries. The study, however, did not include searching for the possible causes for the differences found as a result of the research process. At this stage, it is only possible to make certain assumptions as to the factors that may be decisive in disclosures on provisions varying from country to country despite the application of the same accounting standards. Among all the determinants suggested in literature and previous research alike, there are certain circumstances that are directly associated with IFRS itself (e.g. a large number of options allowed in IFRS, the need for interpretations and estimates) and those lying outside of IFRS (e.g. socio-economic environment of accounting, pre-IFRS national accounting practices, culture, experience, knowledge and ability of professional accountants). How can these potential reasons be referred to the investigated scope of reporting in selected states?

Considering the factors directly attributable to IFRS, it can be stated that the area of provisions is full of interpretable and estimation elements and, because of its very nature, is susceptible to differing interpretations.

Analysing the remaining factors (lying outside IFRS), the fact that the selected countries – Great Britain versus Germany and Poland – represent radically different approaches to provisions based on national rules and regulations in their traditional accounting systems may certainly have a significant impact on the differences existing in the current reporting practices. Moreover, the cultural values and individual characteristics of accountants may also affect the differences in interpretation and application of the standards concerning provisions.
Further research is therefore needed to identify the differences in financial reporting of provisions between other countries and to develop a framework explaining those differences and the potential causes thereof.

References

Alexander, D., Archer, S., Delvaille, P. and Taupin, V. (1996). Provisions and contingencies: an Anglo-French investigation. The European Accounting Review, 5(2): 271–298, https://doi.org/10.1080/09638189600000017

Amiraslani, H., Iatridis, G.E. and Pope, P.F. (2013). Accounting for Asset Impairment: A Test for IFRS Compliance across Europe. London: Cass Business School, https://www.cass.city.ac.uk/__data/assets/pdf_file/0019/160075/CeFARR-Impairment-Research-Report.pdf

Ballwieser, W. (2001). Germany – individual accounts. In: D. Ordelheide (ed.), Transnational Accounting. New York: Palgrave Publishers.

Barbu, E.M., Dumontier, P., Feleagă, N. and Feleagă, L. (2012). Mandatory environmental disclosures by companies complying with IAS/IFRS: The case of France, Germany and the UK: 1–28, DOI=http://halshs.archives-ouvertes.fr/halshs-00658734/document

Bischof, J. (2009). The effects of IFRS 7 adoption on bank disclosure in Europe. Accounting in Europe, 6: 167–194, https://doi.org/10.1080/1744980903171988

Chand, P., Patel, C. and Day, R. (2008). Factors causing differences in the financial reporting practices in selected south pacific countries in the post-convergence period. Asian Academy of Management Journal, 13(2): 111–129.

Cole, V., Branson, J. and Breesch, D. (2011). Determinants influencing the de facto comparability of European IFRS financial statements, http://dx.doi.org/10.2139/ssrn.1967001

Cooke, T.E., Choudhury, M., Olusequn and Wallace, R.S. (2001). United Kingdom – individual accounts. In: D. Ordelheide (eds.), Transnational Accounting. New York: Palgrave Publishers.

Glaum, M., Schmidt, P., Street, D.L. and Vogel, L. (2013). Compliance with IFRS 3 – and IAS 36-required disclosures across 17 European countries: company- and country-level determinants. Accounting and Business Research, 43: 163–204, https://doi.org/10.1080/00014788.2012.711131

Haller, A. and Wehrfritz, M. (2013). The impact of national GAAP and accounting traditions on IFRS policy selection: Evidence from Germany and the UK. Journal of International Accounting, Auditing & Taxation, 22(1): 39–56, https://doi.org/10.1016/j.intaccaudtax.2013.02.003

Hatfield, H.R. (1911). Some Variations in Accounting Practices in England, France, Germany and the U.S. Journal of Accounting Research, 4: 162–189.

Holthausen, R.W. (2009). Accounting Standards, Financial Reporting Outcomes, and Enforcement. Journal of Accounting Research, 47(2): 447–458, https://doi.org/10.1111/j.1475-679X.2009.00330.x

Joos, P. and Lang, M. (1994). The Effects of Accounting Diversity: Evidence from the European Union. Journal of Accounting Research, 32, Supplement: 141–168, https://doi.org/10.2307/2491444

Klimczak, K. (2013). Reserves in traditional and contemporary accounting. European Journal of Business and Economics, 8(2).

Kvaal, E. and Nobes, C.W. (2010). International differences in IFRS policy choice. Accounting and Business Research, 40(2): 173–187, https://doi.org/10.1080/00014788.2010.9663390

DOI: 10.7206/jmba.ce.2450-7814.201
Kvaal, E. and Nobes, C.W. (2012). IFRS policy changes and the continuation of national patterns of IFRS practices. *European Accounting Review, 21*(2): 343–371, https://doi.org/10.1080/09638180.2011.611236

Kvaal, E. and Nobes, C.W. (2013). International Variations in Tax Disclosures. *Accounting in Europe, 10*(2): 241–273, https://doi.org/10.1080/17449480.2013.834733

Nair, R.D. and Frank, W.G. (1980). The Impact of Disclosure and Measurement Practices on International Accounting Classifications. *The Accounting Review*, July: 426–450.

Nobes, C.W. (1983). A Judgmental International Classification of Financial Reporting Practices, *Journal of Business Finance and Accounting, 10*(1): 1–19, https://doi.org/10.1111/j.1468-5957.1983.tb00409.x

Nobes, C.W. (2006), The survival of international differences under IFRS: towards a research agenda, *Accounting and Business Research, 36*(3): 233–245, https://doi.org/10.1080/00014788.2006.9730023

Nobes, C.W. (2011). IFRS practices and the persistence of accounting system classification. *Abacus*, 47: 267–283, https://doi.org/10.1111/j.1467-6281.2011.00341.x

Nobes, C.W. and Parker, R. (2012). *Comparative International Accounting*. Financial Times, Prentice Hall.

Nobes, C.W. and Perramon, J. (2013). Firm size and national profiles of IFRS policy choice. *Australian Accounting Review, 23*: 208–215, https://doi.org/10.1111/j.1835-2561.2012.00203.x

Mueller, G.G., Gernon, H. and Meek, G. (1994). *Accounting: an international perspective*. New York: Irwin.

Mueller, G.G. (1967). *International Accounting*. Part I. Macmillan.

Schultz, J.J. and Lopez, T.J. (2001). The impact of national influence on accounting estimates: Implications for international accounting standard-setters. *The International Journal of Accounting, 36*(3): 271–290, https://doi.org/10.1016/S0020-7063(01)00103-0

Seckler, G. and Voss, Ch. (2003). Germany. In: D. Alexander and D. Archer (eds.), *European Accounting Guide*. New York: Aspen Publishers.

Seidler, L.J. (1967). International Accounting – the Ultimate Theory Course. *The Accounting Review, 42*(4): 775–781.

Stadler, C. and Nobes, C.W. (2014). The Influence of Country, Industry, and Topic Factors on IFRS Policy. *ABACUS, 50*(4): 386–421, https://doi.org/10.1111/abac.12035

Sundgren, S., Mäki, J. and Somoza-Lopez, A. (2013). *Cross-Country Differences in Disclosure Quality: a Study of Fair Value Disclosures by European Real Estate Companies*: 1–37, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2546747

Wehrfritz, M. and Haller, A. (2014), National influence on the application of IFRS: Interpretations and accounting estimates by German and British accountants, *Advances in Accounting, 30*(1): 196–208, https://doi.org/10.1016/j.adiac.2014.03.010

Zeff, A.S. (2007). Some obstacles to global financial reporting comparability and convergence at a high level of quality. *The British Accounting Review, 39*: 290–302, https://doi.org/10.1016/j.bar.2007.08.001