



EUROPEAN ACCOUNTING ASSOCIATION

32nd ANNUAL CONGRESS
TAMPERE 12-15 May 2009

PROGRAMME AND COLLECTED ABSTRACTS



European Accounting Association
32nd Annual Congress
Tampere, Finland



PROGRAMME

SYMPOSIUM PROGRAMME

WEDNESDAY 13 MAY		THURSDAY 14 MAY				FRIDAY 15 MAY				
14.00-15.30		16.00-17.30		9.00-10.30	11.00-12.30	14.00-15.30	16.00-17.30	9.00-10.30	11.00-12.30	14.00-15.30
Tre Hall Small Auditorium	Symposium 1: Wanted - Foundations of Accounting Measurement	Symposium 2: Intercontinental Perspectives on Social and Environmental Accounting Research	Symposium 3: Researching Public Sector Accounting Change	Symposium 4: The Roles and Effects of Paradigms in Accounting Research	Symposium 5: The Economic Downturn and Research Opportunities in Accounting: An Editors' Perspective	Symposium 6: The Challenges for Auditing in a Time of Financial Crisis	Symposium 7: Accountancy and Academic Professional Inter-Dependency (or Mutual Exclusivity?)	Symposium 8: When Accounting Meets Information and Communication Technologies: Effects on Accountants, Accounting and Organizations	Symposium 9: The Future of SME Financial Reporting	
										Special Concurrent Session of the EAA Financial Reporting Standards Committee
Tre Hall Sonaatti 1										

PARALLEL SESSIONS WITH DISCUSSANTS

WEDNESDAY 13 MAY		THURSDAY 14 MAY				FRIDAY 15 MAY					
14.00-15.30		16.00-17.30		9.00-10.30	11.00-12.30	14.00-15.30	16.00-17.30	9.00-10.30	11.00-12.30	14.00-15.30	
Tre Hall Studio	SE.PSD.Session 1 chair: Tinker Tony disc.: Graham Cameron disc.: Ikaheimo Seppo SE.PSD.1 Solomon Jill SE.PSD.2 Rodrigue Michelle	PS.PSD.Session 2 chair: Møller-Nielsen Frode disc.: Christensen Johan disc.: Kurunmäki Liisa PS.PSD.4 Acerete Basilio PS.PSD.5 Jeppesen Kim K.	AU.PSD.Session 5 chair: Laitinen Teijo disc.: Sundgren Stefan disc.: Vanstraelen Ann AU.PSD.13 Lindscheid Friederike AU.PSD.14 Niemi Lasse	AU.PSD.Session 7 chair: Niskanen Mervi disc.: Hamilton Jane Maree disc.: Stuart Iris AU.PSD.18 Hassain Mahmud AU.PSD.19 Tang Qingliang	MA.PSD.Session 12 chair: Scapens Robert disc.: Roslender Robin disc.: Brignall Stan MA.PSD.34 Cadez Simon MA.PSD.35 Ferreira Aldiano	MA.PSD.Session 14 chair: Lukka Karri disc.: Coals Martine disc.: Bruggen Alexander MA.PSD.39 Maas Victor MA.PSD.40 Sandner Kai	MA.PSD.Session 16 chair: Jarvinen Janne disc.: Christensen John disc.: Nielsen Steen MA.PSD.43 Hofmann Christian MA.PSD.44 Dierynck Bart	IC.PSD.Session 8 chair: Nielsen Christian disc.: Mennicken Andrea disc.: Lambert Caroline IC.PSD.20 Graham Cameron IC.PSD.21 Duff Angus	MA.PSD.Session 19 chair: Riviere Anne disc.: Maas Victor disc.: Scapens Robert MA.PSD.51 Van Der Meer-Kooistra J. MA.PSD.52 Nicolaou Andreas		
	GV.PSD.Session 1 chair: White Gregory disc.: Vander Bauwhede Heidi disc.: Alles Michael GV.PSD.1 Ow Yong Kevin GV.PSD.2 Wielhouwer Jacca	GV.PSD.Session 2 chair: Pierce Aileen disc.: Niskanen Mervi disc.: Danbolt Jo GV.PSD.3 Luedtke Jan-Philipp GV.PSD.4 Chen Jen-Hsin	FR.PSD.Session 5 chair: Wells Peter disc.: Abdel-Khalik Rashad disc.: Livne Gilad FR.PSD.13 Cascino Stefano FR.PSD.14 Clark Joyce	FR.PSD.Session 8 chair: Lennard Andrew disc.: Gill de Albornoz Nogueir B. disc.: Valenticic Aljosa FR.PSD.21 Van Der Meulen Sofie FR.PSD.22 Landsman Wayne	FR.PSD.Session 11 chair: Abdel-Khalik A Rashad disc.: Gassen Joachim disc.: Zhang Li FR.PSD.28 Garcia Osma Beatriz FR.PSD.29 Christensen Hans Bonde	FR.PSD.Session 14 chair: Haller Axel disc.: Brennan Niamh disc.: Christensen Hans Bonde FR.PSD.36 Veith Stefan FR.PSD.37 Goncharov Igor	IC.PSD.Session 7 chair: Roslender Robin disc.: Bourguignon Annick disc.: Solomon Ira IC.PSD.18 Mennicken Andrea IC.PSD.19 Loft Anne	FA.PSD.Session 11 chair: Seppanen Harri disc.: To be confirmed FA.PSD.31 Demiers Elizabeth FA.PSD.32 Clubb Colin	FA.PSD.Session 12 chair: Clubb Colin disc.: Bruggeman Ulf disc.: Werner Jörg R FA.PSD.33 Badio Marc FA.PSD.34 Nasev Julia		
Tre Hall Sonaatti 1	(Reserved)	(Reserved)	(Reserved)	AM.PSD.Session 3 chair: Simons Dirk disc.: Maedler Markus disc.: Reis Ricardo AM.PSD.6 Velthuis Louis AM.PSD.7 Stecher Jack	(Reserved)	(Reserved)	TX.PSD.Session 3 chair: Sy Aida disc.: Kestens Katrien disc.: Formigoni Henrique TX.PSD.7 Ruf Martin TX.PSD.8 Beuselincq Christof	(Reserved)	(Reserved)	(Reserved)	

RESEARCH FORUM SESSIONS

WEDNESDAY 13 MAY

14.00-15.30

16.00-17.30

THURSDAY 14 MAY

9.00-10.30

11.00-12.30

14.00-15.30

16.00-17.30

FRIDAY 15 MAY

9.00-10.30

11.00-12.30

14.00-15.30

Tre Hall Opus 1	FR.RF.Session 1 chair: Hellman Niclas FR.RF.1 Chircop Justin FR.RF.2 Pajunen Kati FR.RF.3 Mustata Razvan V. FR.RF.4 Hellmann Andreas FR.RF.5 Godfrey Jayne	FR.RF.Session 3 chair: Papa Marco FR.RF.11 Yapa Prem FR.RF.12 Rodriguez-Masero N. FR.RF.13 Jetty Juliana FR.RF.14 Taylor Grantley FR.RF.15 Hellström Katerina	FR.RF.Session 4 chair: Ribeiro Humberto FR.RF.16 Vrentzou Eleni FR.RF.17 Carlin Tyrone FR.RF.18 Schmidt Martin FR.RF.19 De Las Heras Cristobal E. FR.RF.20 Amen Matthias	FR.RF.Session 5 chair: Yilmaz Fatih FR.RF.21 Lopes Claudia FR.RF.22 Katsuo Yuko FR.RF.23 Stockmans Annelies FR.RF.24 Menini Andrea FR.RF.25 Lindahl Frederick	FR.RF.Session 6 chair: Sellhorn Thorsten FR.RF.26 Duarte Manuela FR.RF.27 Stenka Renata FR.RF.28 Karim Wares FR.RF.29 Chiqueto Fernando FR.RF.30 Mantzani Elizabeth	FR.RF.Session 7 chair: Blanco Peláez Belen FR.RF.31 Bessieux Ollier Corinne FR.RF.32 Ramirez Yolanda FR.RF.33 Rehnberg Pernilla FR.RF.34 Grathwohl Julia FR.RF.35 El-Tawy Nevine	FR.RF.Session 8 chair: Song Inman FR.RF.36 Strouhal Jiri FR.RF.37 Fontes Alexandra FR.RF.38 Froschhammer Matthias FR.RF.39 Ferrer Cristina FR.RF.40 Tettamanzi Patrizia	FR.RF.Session 9 chair: Hitz Joerg-Markus FR.RF.41 Somoza Antonio FR.RF.42 Argüés Josep M. FR.RF.43 Negakis Christos FR.RF.44 Promper Nicole FR.RF.45 Clatworthy Mark	FR.RF.Session 11 chair: Zhou Haiyan FR.RF.51 Ayoub Samir FR.RF.52 Tzavos Christos FR.RF.53 Ohnuma Hiroshi FR.RF.54 Blomkvist Maria FR.RF.55 Dionysiou Dionysia
	FR.RF.Session 2 chair: Arthur Neal FR.RF.6 Schorn Philipp FR.RF.7 Rodriguez Pérez Gonzalo FR.RF.8 Miller Jeffrey FR.RF.9 Vahamaa Sami FR.RF.10 Wu Tsingzai	AU.RF.Session 1 chair: Sokolov Viatcheslav AU.RF.1 De Beelde Ignace AU.RF.2 Lane Jennifer AU.RF.3 Biedma-López Estibaliz AU.RF.4 Young Antony AU.RF.5 Itonen Kim	AU.RF.Session 2 chair: Perazzi Domenico AU.RF.6 Salama Aly AU.RF.7 Cano-Rodriguez Manuel AU.RF.8 Hardies Kris AU.RF.9 Sakuma Yoshihiro AU.RF.10 Lopatto Kerstin	AU.RF.Session 3 chair: Walz Matthias AU.RF.11 Pellier-Rivest Dominic AU.RF.12 Amat Oriol AU.RF.13 Wedzki Dariusz AU.RF.14 Fernández-Laviada Ana AU.RF.15 Vandenbogaerde Sofie	SE.RF.Session 1 chair: Nyland Kari SE.RF.1 Balluchi Federica SE.RF.2 Acero Isabel SE.RF.3 Boessa Giacomo SE.RF.4 Macve Richard SE.RF.5 Monteiro Sónia	SE.RF.Session 2 chair: Garcia Isabel Maria SE.RF.6 Pesci Caterina SE.RF.7 Cisi Maurizio SE.RF.8 Nuñez Montserrat SE.RF.9 Albelda Esther SE.RF.10 Cresti Enka	SE.RF.Session 3 chair: Ribiero Maisa SE.RF.11 Cieslak Iwona SE.RF.12 Filipje Nélia SE.RF.13 Dvorakova Dana SE.RF.14 Lopez-Perez Maria V. SE.RF.15 Moneva Jose Mariano	FR.RF.Session 10 chair: Hellmann Andreas FR.RF.46 Zhou Haiyan FR.RF.47 Morton Anja FR.RF.48 Teadori Claudio FR.RF.49 Niskala Mikael FR.RF.50 Papa Marco	FR.RF.Session 12 chair: Kiosse Paraskevi Vicky FR.RF.56 Bayerlein Leopold FR.RF.57 Aledo Martínez Juana FR.RF.58 Eierle Brigitte FR.RF.59 Ng Arnie FR.RF.60 Cardoso Ricardo
Tre Hall Opus 2	GV.RF.Session 1 chair: Ahmed Sheraz GV.RF.1 Manzanogue Montserrat GV.RF.2 Charitou Andreas GV.RF.3 Kepsu Mikko GV.RF.4 Di Donato Francesca GV.RF.5 Di Carlo Emiliano	GV.RF.Session 2 chair: Barrosa Casado Raul GV.RF.6 Russell Peter GV.RF.7 Clout Victoria GV.RF.8 Krivogorsky Victoria GV.RF.9 Demirag Istemi	GV.RF.Session 3 chair: Demirag Istemi GV.RF.11 Ahrens Thomas GV.RF.12 Charalambous Charoulla GV.RF.13 Seny Kan Kanan A. GV.RF.14 Rezende Amoury	GV.RF.Session 4 chair: Danbolt Jo GV.RF.15 Dean Graeme GV.RF.16 Marchini Pier Luigi GV.RF.17 Ilina Yulia GV.RF.18 Gais Cristina	PS.RF.Session 1 chair: Zouhar Tomas PS.RF.1 Ellwood Sheila PS.RF.2 Menezes Carlos PS.RF.3 Klug Heide	PS.RF.Session 2 chair: Taylor Dennis PS.RF.4 Gorman Barry PS.RF.5 Ortiz-Rodriguez David PS.RF.6 Stapleton Pam PS.RF.7 Vernhet Alexandre	PS.RF.Session 3 chair: Valhamaa Sami GV.RF.19 Hoos Florian GV.RF.20 Zander Kevin GV.RF.21 Zabolí Dalmacio Flavia GV.RF.22 Yanochkin Anton	GV.RF.Session 5 chair: Ilina Yulia GV.RF.23 Carrasco-Gallego Analia GV.RF.24 Kirwan Collette GV.RF.25 Compemolle Tiphaine GV.RF.26 Kishita Tetsuhiro GV.RF.27 Navallas Begoña	
	TX.RF.Session 1 chair: Coppens Carine TX.RF.1 Martins Antonio TX.RF.2 Verdoes Tim TX.RF.3 Koch Reinald	TX.RF.Session 2 chair: Watrin Christoph TX.RF.4 Woodward Therese TX.RF.5 Kallio Minna TX.RF.6 Lopes Tatiana	ED.RF.Session 1 chair: Stevens Kevin ED.RF.1 Stainbank Lesley ED.RF.2 Brunsson Karin ED.RF.3 Lopes Cardoso Ricardo ED.RF.4 Van Campenhout Geert ED.RF.5 Swenson Dan	ED.RF.Session 2 chair: Tyler Jonathan ED.RF.6 Daff Lyn ED.RF.7 Coda Roberto ED.RF.8 Mutiu Alexandra Ileana ED.RF.9 Hammami Helmi ED.RF.10 Mensik Michal	(Reserved)	(Reserved)	IS.RF.Session 1 chair: Gullkvist Benita IS.RF.1 Sy Aida IS.RF.2 Heliodoro Paula IS.RF.3 Velcu Oana IS.RF.4 Pinto Alves Sandra Raquel	IS.RF.Session 2 chair: Vaussen Eddy IS.RF.5 Ayan Wilfried IS.RF.6 Gandarillas Iglesias Miriam IS.RF.7 Georgescu Iréne	(Reserved)
Tre Hall Vip-room	MA.RF.Session 1 chair: Gumb Bernard MA.RF.1 Thiede Sven MA.RF.2 Coulmont Michel MA.RF.3 Claes Paul MA.RF.4 Riviere Anne MA.RF.5 Becker Albrecht	MA.RF.Session 2 chair: Beusch Peter MA.RF.6 Nara Gerald MA.RF.7 Uc Lucio MA.RF.8 Thiagarajah Tirukumara MA.RF.9 De Harlez Yannick MA.RF.10 Tiomatsu Oyadomari J.C.	MA.RF.Session 3 chair: Sandelin Mikko MA.RF.11 Chakhovich Terhi MA.RF.12 Gumb Bernard MA.RF.13 Kunz Christian MA.RF.14 Sales Xavier MA.RF.15 Verbieren Sofie	MA.RF.Session 4 chair: Bürkland Sisle MA.RF.16 Abdel-Maksoud Ahmed MA.RF.17 Bachiller Patricia MA.RF.18 Schuchardt Lukas D. MA.RF.19 Lucianetti Lorenzo MA.RF.20 Pérez-García Eva Maria	MA.RF.Session 5 chair: Coals Martine MA.RF.21 Wömpener Andreas MA.RF.22 Suematsu Eiichiro MA.RF.23 Santos Angélica MA.RF.24 Gangloff Florence MA.RF.25 Strauss Erik	MA.RF.Session 6 chair: Hoozee Sophie MA.RF.26 Gimzouskienė Edita MA.RF.27 Wiersma Eelke MA.RF.28 Ballas Apostolos MA.RF.29 Wagner Jaroslav MA.RF.30 Saljakova Libuse	MA.RF.Session 7 chair: Triantafylli Androniki MA.RF.31 Carenyis Jordi MA.RF.32 Wnuk-Pel Tomasz MA.RF.33 Matsuo Takami MA.RF.34 Thomas Clement MA.RF.35 Parkinson Alan	MA.RF.Session 8 chair: Coulmont Michel MA.RF.36 Miller Fabienne MA.RF.37 Czerny Janusz MA.RF.38 Koo Jeong-Ho MA.RF.39 Frezzati Fabio	MA.RF.Session 10 chair: Hirsch Bernhard MA.RF.45 Antunes Maria Thereza P. MA.RF.46 Haldima Toomas MA.RF.47 Laitinen Erkki K. MA.RF.48 Scherer Luciano Márcio
	IC.RF.Session 1 chair: Virtanen Aila IC.RF.1 Mazzuca Maria IC.RF.2 Kurek Bartosz IC.RF.3 Labrenz Helfried IC.RF.4 Tselentis Charalambos	IC.RF.Session 2 chair: Haaldma Toomas IC.RF.5 De Lange Paul IC.RF.6 Cristea Stefana Maria IC.RF.7 Schulte Muriel IC.RF.8 Prochazka David	AM.RF.Session 1 chair: Haaldma Toomas AM.RF.1 Garantina Tohano AM.RF.2 Juhel Jean-Claude AM.RF.3 Nowak Wojciech AM.RF.4 Simons Dirk	HA.RF.Session 1 chair: Barba Elena HA.RF.1 Baños Juan HA.RF.2 Santini Fabio HA.RF.3 Nikitin Marc HA.RF.4 Moraes Da Costa Fábio HA.RF.5 Zelinschi Dragos	HA.RF.Session 2 chair: Baños Juan HA.RF.6 Servalli Stefania HA.RF.7 Sokolov Viatcheslav HA.RF.8 Ludbarzs Igaros HA.RF.9 Farag Showki HA.RF.10 Laurentino Viana Aureliana	IC.RF.Session 3 chair: Joannides Vassili IC.RF.9 Arai Ko IC.RF.10 Roslender Robin IC.RF.11 Mourey Damien IC.RF.12 Sauplick Olivier IC.RF.13 Matyas Ondrej	IC.RF.Session 4 chair: Geslak Marek IC.RF.14 Mendonca Neto Octavio IC.RF.15 Bruehl Rolf IC.RF.16 Yayla Hilmi Erdogan IC.RF.17 El Omari Sami	MA.RF.Session 9 chair: Sivabalun Prabhu MA.RF.40 Joshi Prem Lal MA.RF.41 Pombreg Michelle MA.RF.42 Trapp Rouven MA.RF.43 Arena Marika MA.RF.44 Gessner Christian	MA.RF.Session 11 chair: Feichter Andreas MA.RF.49 Himme Alexander MA.RF.50 Horváth Péter MA.RF.51 Somohano Francisco M. MA.RF.52 Luotonen Kai MA.RF.53 Fjell Kenneth
Linna K106	FA.RF.Session 1 chair: Tran Duc Hung FA.RF.1 Brauer Sebastian FA.RF.2 Bissessur Sanjay FA.RF.3 Sahut Jean-Michel FA.RF.4 Madrid-Guijarro Antonia FA.RF.5 Li Yong	FA.RF.Session 2 chair: Mustata Razvan FA.RF.6 Mate-Sanchez Mariuz FA.RF.7 Echevayen Soteras A.L. FA.RF.8 Sanchez Vidal F. Javier FA.RF.9 Gelmini Lorenzo FA.RF.10 Beisland Leif Atle	FA.RF.Session 3 chair: Lindahl Frederick FA.RF.11 Jesus Tonia FA.RF.12 Yuksehirik Osman FA.RF.13 Rossi Paola FA.RF.14 Almeida José Elias FA.RF.15 Volkov Dmitry	FA.RF.Session 4 chair: Panaretou Argyro FA.RF.16 Alshattart Wasim K. FA.RF.17 Sabater Marcos Ana M. FA.RF.18 Tran Duc Hung FA.RF.19 Guiral Andrés FA.RF.20 Menéndez Carlota	FA.RF.Session 5 chair: Tanski Joachim FA.RF.21 Shimada Yoshinori FA.RF.22 Price Richard FA.RF.23 Suda Kazuyuki FA.RF.24 Swagerman Dirk FA.RF.25 Teixeira Cláudia	FA.RF.Session 7 chair: Misirioglu Ufuk FA.RF.26 Rimmel Gunnar FA.RF.27 White Gregory FA.RF.28 Hirsch Manuela FA.RF.29 Höglund Henrik	FA.RF.Session 8 chair: Paananen Mari FA.RF.34 Smith David FA.RF.35 Mohamed Zawawi Siti N.H. FA.RF.36 Berzinez Inna FA.RF.37 Nakano Makoto FA.RF.38 Ferreira Leonor	FA.RF.Session 9 chair: Tower Greg FA.RF.39 Akman Nazli FA.RF.40 Hellman Niclas FA.RF.41 Coruso Giuseppe Davide	
	FA.RF.Session 1 chair: Tran Duc Hung FA.RF.1 Brauer Sebastian FA.RF.2 Bissessur Sanjay FA.RF.3 Sahut Jean-Michel FA.RF.4 Madrid-Guijarro Antonia FA.RF.5 Li Yong	FA.RF.Session 2 chair: Mustata Razvan FA.RF.6 Mate-Sanchez Mariuz FA.RF.7 Echevayen Soteras A.L. FA.RF.8 Sanchez Vidal F. Javier FA.RF.9 Gelmini Lorenzo FA.RF.10 Beisland Leif Atle	FA.RF.Session 3 chair: Lindahl Frederick FA.RF.11 Jesus Tonia FA.RF.12 Yuksehirik Osman FA.RF.13 Rossi Paola FA.RF.14 Almeida José Elias FA.RF.15 Volkov Dmitry	FA.RF.Session 4 chair: Panaretou Argyro FA.RF.16 Alshattart Wasim K. FA.RF.17 Sabater Marcos Ana M. FA.RF.18 Tran Duc Hung FA.RF.19 Guiral Andrés FA.RF.20 Menéndez Carlota	FA.RF.Session 5 chair: Tanski Joachim FA.RF.21 Shimada Yoshinori FA.RF.22 Price Richard FA.RF.23 Suda Kazuyuki FA.RF.24 Swagerman Dirk FA.RF.25 Teixeira Cláudia	FA.RF.Session 7 chair: Misirioglu Ufuk FA.RF.26 Rimmel Gunnar FA.RF.27 White Gregory FA.RF.28 Hirsch Manuela FA.RF.29 Höglund Henrik	FA.RF.Session 8 chair: Paananen Mari FA.RF.34 Smith David FA.RF.35 Mohamed Zawawi Siti N.H. FA.RF.36 Berzinez Inna FA.RF.37 Nakano Makoto FA.RF.38 Ferreira Leonor	FA.RF.Session 9 chair: Tower Greg FA.RF.39 Akman Nazli FA.RF.40 Hellman Niclas FA.RF.41 Coruso Giuseppe Davide	

FR.PS.47

Testing Value Relevance Of Accounting Earnings In Emerging Markets

Karol Klimczak (Kozminski University)

Co-author: John Mulenga

Relevance of accounting earnings for market value of companies has been subject to numerous empirical studies, which generally support the hypothesis of value relevance in developed countries. Recently a growing number of papers focus on the usefulness of accounting information in emerging countries. These studies adopt value relevance methodology to test for the association between accounting earnings reported by listed companies, and the value of their equity: a positive result of the test serves as proof of the quality of accounting standards, accounting practice and the local stock market. The aim of this paper is to discuss theory and methodology of these tests in order to determine a set of guidelines for value relevance testing. A number of alternative models are estimated on a common data set and compared. Results show that model selection has a significant impact on value relevance tests and inferences as to the quality of accounting information.

Abstract ID: 3916

FR.PS.48

Voluntary And Mandatory IFRS-Adoption In Germany: Empirical Evidence From 1998 To 2005

Stephanie Hoermanseder (Vienna University of Economics and Business)

Co-author: Alexander Schiebel

Differences between domestic GAAP and IFRS have always been of great interest for the academic research. We analyze German companies adopting IFRS between 1998 and 2005. Our results complement previous research in many ways: Our sample consists of 281 German companies being nearly three times as large as the samples analysed so far. We analyse equity and comprehensive income for cumulative differences as well as for standard-specific differences between German GAAP and IFRS. We make industry specific analyses as well as analyses contrasting voluntary with mandatory adopters. Moreover we investigate possible incentives of earnings management for German companies having to face losses under German GAAP on the edge

of adopting IFRS. Our results show significant cumulative equity increases whereas the adoption impact on income and expense is not significant. We detect a significant industry effect for the first time in literature. Furthermore we can prove differences between voluntary and mandatory adopters statistically which has so far only been assumed by literature. Our results show a significant earnings management activity of loss companies. Our standard-specific results show that only a few standards account for the cumulative differences and that these effects are mainly driven by company-specific factors. Generally our findings support German voluntary or mandatory IFRS adopters in planning the adoption process and evaluating the impact of the adoption on their financial figures. Moreover they can coin advancements of German GAAP that nowadays seem to move towards IFRS. Our results can be used to make generalizations for other domestic GAAP provided similar underlying principles. Finally our study can serve as a benchmark for following or preceding studies focusing on the differences between German or other domestic GAAP and IFRS.

Abstract ID: 4032

FR.PS.49

The Lost Impact From Sfas 142

Humberto Ribeiro (De Montfort University, UK)

A substantial amount of current accounting literature is focused on goodwill write-offs. This interest was enhanced following the FASB's effectiveness of the new business combinations accounting rules, which shifted the discussion from pooling of interests method elimination to the accounting treatment of purchased goodwill and other intangible assets. SFAS 142 replaced amortisation of acquired goodwill and other intangible assets with indefinite useful lives by impairment tests, keeping amortisation, under certain conditions, only for goodwill and intangible assets with finite useful lives. By doing so, the FASB added volatility to financial reporting, as assumed in SFAS 142 body text. Most literature is concerned with the reliability of impairment tests under SFAS 142, in the scope of the increasing use of fair value accounting, and in face of the "big bath" earnings management. However, literature seems to have been forgotten that nonamortisation of purchased goodwill and certain intangible assets has benefited earnings per share of firms that did not record impairment loss following SFAS 142 adoption. In this paper, SFAS 142 effects on M&A activity and on financial reporting are examined. Overall, no significant impacts of SFAS 142 on M&A activity were found. However, a significant positive effect of

nonamortisation of goodwill on diluted EPS has been found. This positive effect was overshadowed by the so-called "big bath" earnings management, and is not documented in existing literature. Therefore this paper's findings provide a novel contribute to enhance the understanding of earnings management under goodwill impairment accounting.

Abstract ID: 4045

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