A Survey of Certified Accountants Opinion on SMEs Financial Reporting: Evidence from Romania

Maria Mădălina Buculescu and Anamaria Stoica

Abstract—The paper analyze previous studies about the attitude and perception of professional accountants regarding IFRS for SMEs adoption in different European jurisdiction. Also this paper aims to determine to what extent Romanian professional accountants agree national accounting regulations for SMEs and if adoption of an international accounting standard special suited for SMEs (e.g. IFRS for SMEs) is considered an alternative to the financial reporting of Romanian SMEs. To reach our objective we sent a survey questionnaire to 4,000 Romanian professional accountants and we collected 90 valid responses. Based on our results we found that more than half of the respondents are satisfied with the current accounting regulations although professional accountants favor simplification of the legislation by reducing the number of policies, options and the volume of the information disclosed for SMEs. Despite this, about 40 percent of the respondents describe the possible adoption of the IFRS for SMEs as being opportune and advantageous.

Index Terms—Financial reporting, IFRS for SMEs (international financial reporting standards for small and medium sized entities), professional accountants, SMEs.

I. INTRODUCTION

On the one hand, International Accounting Standard Boards (IASB) through the SME Implementation Group continuously supports IFRS for SMEs international adoption and monitors its implementation [1]. As a consequence, the number of translations of IFRS for SMEs in different languages (Albanian, Arabic, French, Croatian, Romanian, Russian, Spanish, Turkish, Japanese, Polish, Portuguese, Italian, Estonian, German etc) continuously increased since 2009 when IFRS for SMEs was issued.

On the other hand, European Union (EU) promotes European Commission accounting directives instead of the voluntary or mandatory adoption of IFRS for SMEs for small and medium sized enterprise financial reporting. Moreover, through the new accounting Directive 2013/34/EU, European Commission recognises the central role played by small and medium-sized enterprises (SMEs) in the European Union economy and try to reduce the administrative burden for small companies and improve the quality and comparability of the information disclosed [2].

This paper aims to analyze the position of European Union on the adoption of IFRS for SMEs, the current stage of adoption of IFRS for SMEs in European mainland, previous studies regarding European professional accountants, preparers and users of financial statements towards the IFRS for SMEs adoption and moreover to reflect Romanian professional accountants attitudes and perception regarding IFRS for SMEs and other aspects of SMEs financial reporting.

The paper is structured as follows: at first was analysed the European Commission study regarding the “Consultation on the International Financial Reporting Standard for Small and Medium sized Entities” and the position of member states regarding IFRS for SMEs adoption within European Union. Further were analyzed previous studies from different European jurisdiction which reflected the attitude and perception of professional accountants about IFRS for SMEs adoption. Other stream of literature referring to the perception of users and preparers about IFRS for SMEs adoption in Europe were analyzed within different European jurisdiction. Forward, an on-line designed survey questionnaire was addressed to Romanian professional accountants with the purpose to get knowledge of their attitudes and opinions about the IFRS for SMEs adoption in Romania. Finally, last segments of the paper reflect the analysis of the results obtained from collected questionnaires and conclusions of this study.

II. EU POSITION ABOUT THE ADOPTION OF IFRS FOR SMEs

In 2009, IASB issued IFRS for SMEs which was particularly addressed to non-publicly accountable companies which publish general purpose financial statements for external users. IFRS for SMEs was designed for SMEs financial reporting and contains 230 pages compared to the full set of IFRS which comprises almost three thousands.

IASB argues that IFRS for SMEs is a set of high quality financial reporting principles designed to meet the needs and capabilities of small and medium-sized entities, which account more than 95% of all companies around the world [3]. Further, IFRS for SMEs complexity in regard to worldwide micro-sized entities needs was one of the arguments against implementing IFRS for SMEs, but to overcome this challenge in 2013, IASB developed a guide to help micro entities to implement IFRS for SMEs [4].

Given the challenges represented by the application of an international accounting standard for small and medium enterprises (IFRS for SMEs) and the intention of its adoption by many African, Asian and South American jurisdiction even
since its form as an exposure draft, European Commission has considered the possible implementation of the IFRS for SMEs within European Union by analyzing the compatibility of the IFRS for SMEs with European Directives content. Therefore, European Financial Reporting Advisory Group (EFRAG) analyzed all accounting treatment required by IFRS for SMEs and not permitted under European Union Accounting Directives and identified six major incompatibilities [5].

Moreover, in November 2009, European Commission launched the study entitled “Consultation on the International Financial Reporting Standard for Small and Medium sized Entities”, which was addressed to SMEs, users of accounts and all stakeholders with the purpose to understand the European Union views and receive comments from business, banks and investors regarding the implementation of the IFRS for SMEs. Therefore, European Commission release a questionnaire including 12 questions referring to: suitability of IFRS for SMEs for widespread within EU, the category size of the SMEs (micro, small or medium) which would benefit most from adopting this standard, exemplifies cost-benefit effects of IFRS for SMEs implementation, if increased international comparability of accounts would be beneficial for SMEs, if adoption of IFRS for SMEs should be included within European accounting legal framework (voluntary or mandatory) or to be permitted as an alternative to a specific category of SMEs and finally if there is a need for “rules-based” Accounting Directives in the future if the possible adoption of IFRS for SMEs and what aspects of financial reporting should be revised [6].

The public consultation last until March 2010, when were collected 210 responses from 26 member states of European Union and 4 from non-EU jurisdiction. Most responses came from Germany (84 responses) and EU Organization (23 responses). From Romania came two answers.

The results were disseminated within the European Commission Summary Report published in May 2010. The report reflected divergent opinions of the respondents with regard to the potential application of the IFRS for SMEs in Europe [7]. Also there were pros opinions for IFRS for SMEs implementation such as: allowing international comparability, using one accounting language and cons opinions referring especially to the linkage between accounting and taxation and capital maintenance and the standards being too complex for small companies [8].

Therefore, European Commission examined and rejected the option to implement IFRS for SMEs at EU level, but at the same time specified that member states are able to permit or require IFRS for SMEs for all or for some of their unlisted company (availability as a voluntary option) as long as accounting directives are fully implemented and IFRS for SMEs is modified to comply with any accounting requirement of the Directive that departs from the IFRS for SMEs [9].

Worldwide, 69 jurisdictions require or permit application of IFRS for SMEs [10].

Some researchers using statistical methods showed that countries which have already adopted IFRS for SMEs have significantly lower GDP per capita and financial reporting systems of lower quality than countries which refused to adopt IFRS for SMEs [11].

### Table I: Jurisdiction which adopted IFRS for SMEs within European Mainland

<table>
<thead>
<tr>
<th>Country</th>
<th>Modification</th>
<th>Details of modification if the case</th>
<th>Requirement or Permission of the IFRS for SMEs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia and Herzegovina</td>
<td>Yes</td>
<td>SMEs are permitted to omit the statement of changes in equity and cash flow statement</td>
<td>All SMEs may choose either full IFRS or the IFRS for SMEs.</td>
</tr>
<tr>
<td>Macedonia</td>
<td>No</td>
<td></td>
<td>All SMEs except those required to use full IFRSs under the Trade Company Law are required to use the IFRS for SMEs.</td>
</tr>
<tr>
<td>Turkey (Eurasia)</td>
<td>No</td>
<td></td>
<td>All SMEs are permitted to use the IFRS for SME.</td>
</tr>
<tr>
<td>Switzerland</td>
<td>No</td>
<td></td>
<td>Any SME may use the IFRS for SMEs, but there is no requirement to do so.</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Yes</td>
<td>FRS 102 is based on the IFRS for SMEs, but with significant modifications and changes so that to permit accounting treatments that exist in FRSs at the transition date that aligns with EU-adopted IFRSs and Accounting Directives.</td>
<td>The Financial Reporting Standard (FRS 102) is effective for periods beginning after 2015. FRS 102 is available to all entities not required to apply EU adopted IFRS. Those SMEs that are not required to use the IFRS for SMEs can use United Kingdom Financial Reporting Standards, Financial Reporting Standard for Smaller Entities or full IFRS.</td>
</tr>
<tr>
<td>Ireland</td>
<td>Yes</td>
<td>Same as in the case of United Kingdom</td>
<td>FRS 102 is available for the entities which are not required to apply EU adopted IFRS.</td>
</tr>
</tbody>
</table>

Source: The authors’ projection based on information available at http://www.ifrs.org/Use-around-the-world/Pages/Jurisdiction-profiles.aspx

References [12] citing Quagli and Paolini, (2012) observed that Anglo-Nordic jurisdiction encourage the implementation of IFRS for SMEs whereas German and Latin speaking jurisdiction prefer to not adopt or to voluntary adopt the standard at most [12].

Others researchers notice that much of the existing literature on the IFRS for SMEs is placed in the context of emerging economies (e.g. Romania, the Czech Republic, Turkey etc) [13].

Currently, as it was anticipated, United Kingdom and Ireland decided to adopt IFRS for SMEs as FRS 102, considering the significant changes made in order to comply with the European accounting directives.

Table I presents European jurisdictions which decided to adopt IFRS for SMEs.

### III. Attitude and Opinion of Professional Accountants Based on Survey Questionnaires Studies about IFRS for SMEs
Some authors highlighted a gap in the literature concerning the examination of professional accountant’s attitudes towards IFRS for SMEs [12] while others noticed that much of the existing literature on the IFRS for SMEs is placed in the context of emerging economies [13].

Moreover, analyzing previous studies regarding professional accountants (certified accountants) perception, attitudes and knowledge about the IFRS for SMEs were identified some studies based on survey questionnaire in several countries such as:

In Turkey, several studies reflected the findings of the views of the professional accountants. It was observed that education level and experience of respondents have partial positive impact on knowledge of the IFRS for SMEs [14]. Other study surveyed professional accountants about the application and readiness of Turkish SMEs for IFRS for SMEs implementation [15].

In Turkey, Greece, United Kingdom and Lithuania some researchers investigated the feasibility and necessity of adopting IFRS for SMEs and concluded that IFRS for SME can be characterized as a big step on the development and existence of SMEs. Also they highlight the practitioners concern for the cost of implementing the IFRS for SMEs [16].

In Italy some researchers used survey questionnaire aimed to analyze the attitude of the Italian professional accountants towards IFRS for SMEs and conducted semi structured interviews with presidents of the local certified accountants associations. The results showed that majority of the certified accountants have a positive attitude towards IFRS for SMEs, while the other part does not approve it. Also assessing that level of knowledge of the IFRS for SMEs is really important and certified accountants who are informed on these standards they tend to appreciate the different technical, strategic and conceptual aspects [12].

In Romania, the application of IFRS for SMEs was analyzed in some studies. Using questionnaire survey addressed to accounting professionals employees of SMEs some researchers concluded that simplifications of SMEs accounting reporting, simplifications of certain accounting treatments as compared to the existing ones are necessary and argued that IFRS for SMEs adoption in European Union is not appropriate because of the cultural diversity and variety of accounting systems [17]. Also another survey study [18] revealed that a more simplified reporting systems is needed for SMEs and also highlighted that professional accountants agree more SMEs financial reporting in accordance with European directives and only few respondents considered adequate the adoption of IFRS for SMEs without any changes [18].

In France, Germany, Italy, the Netherlands, Spain, the United Kingdom a questionnaire survey addressed to 1,593 SMEs revealed that a majority of European SMEs are very much in favor of adoption of a common set of accounting standards throughout Europe [19].

In United Kingdom (UK), using focus groups from UK and Kenya some researchers sought to ascertain the views of interested stakeholders on the suitability of IFRS for SMEs for micro entities [20].

In Czech Republic several studies were identified. One study aims to find out the perception of the representatives of Czech accounting profession about a possible implementation of IFRS for SMEs using interviews of prepares, auditors, users of financial statements etc [21]. Another study using survey questionnaire addressed to company executives, financial directors or accountants of the companies concluded that willingness to implement IFRS for SMEs into the national accounting system depends mainly on the size of business and its involvement in cross-border activities [22]. Other study using questionnaire addressed to SMEs revealed that respondents were rather interested in the costs and gains of IFRS for SMEs application [23].

In Turkey, a study used designed web-based questionnaire addressed to owners, managers and accountants of SMEs. The results showed that most of the participants were unaware of “IFRS for SMEs”, but they were waiting for the new standard [24].

In Germany, some researchers using on-line questionnaire addressed to German SMEs found that non-publicly traded mid-sized corporations prefer German accounting legislation rather than IFRS with respect to the level of information quality [25]. They also expect benefits of an IFRS for SME adoption compared to an application of (full-) IFRS. Using empirical analysis, other researchers [26] studied if adoption of a homogenous financial accounting framework (IFRS for SMEs) across Europe can be expected to be beneficial for SMEs and found that heterogeneity of financial accounting regimes of European entities makes the benefits of Europe wide adoption of IFRS for SMEs highly questionable [26]. Forward, other researchers undertaken a survey addressed to the directors of unlisted German SMEs [27]. Their survey suggested that factors like business environment, characteristics of financial statement users and organizational attributes have an impact on the need of SMEs’ to provide internationally comparable financial [27].

In Czech Republic, Hungary, Romania and Turkey some researchers undertaken a study using semi-structured interviews with representatives of main stakeholders investigating the suitability of IFRS for SMEs for emerging economies and the implementation approach and found more support for IFRS for SMEs mandatory or voluntary adoption in this countries than Summary Report of European Commission’s 2010 consultation report revealed [28].

In Romania, a study using textual analysis of Romanian accounting regulation and IFRS for SMEs and several interviews concluded that there were still many inconsistencies in Romania legislation compared to IFRS for SMEs and application of IFRS for SMEs would affect accounting profession and education [29]. The author’s
opinion supported the idea there will be differences in the application of IFRSs between countries because of their different accounting background [29]. Other study revealed that more than half of the accountants involved in their research don’t consider IFRS for SMEs as an alternative for improving the SMEs accounting system in Romania, but on the other hand, some of the respondents considered that the IFRS for SMEs could be a suitable solution to simplify the accounting of the Romanian SMEs [30].

V. RESEARCH METHODOLOGY

Based on previous relevant literature review, a survey questionnaire regarding IFRS for SMEs possible adoption and opinion of Romanian professional accountants was developed.

The purpose of the questionnaire was to determine the licensed accountant’s opinion (CECCAR members) on certain aspects of SMEs financial reporting and IFRS for SMEs knowledge and perception.

Body of Expert and Licensed Accountants of Romania (CECCAR) is a legal entity of public utility and autonomous, which includes expert accountants and licensed accountants and accounting expertise and accounting companies from Romania [31].

The questionnaire included 15 questions and was organized as follows: the first segment included questions designed to reveal general information about the characteristics of the respondents (gender, experience, working place, email address of the respondent). The second segment included questions (single choice response, multiple choice, rating Likert scale, yes/no) aimed at assessing the level of satisfaction of certified accountants about Romanian national accounting regulations, assessing if application of IFRS for SMEs is an alternative to Romanian financial reporting for SMEs (being an advantage/opportunity/cost/useless etc.), if changes are needed, if improvements in SMEs national financial reporting are necessary and in what way this they should be, types of situations/financial information requested most frequently by entrepreneurs/managers/owners to the certified accountants, etc aimed at testing objectives related to certified accountants opinion regarding national accounting regulation and possible implementation of IFRS for SMEs. The last segment comprised questions related to tangible assets accounting practices.

For collecting the e-mail addresses of respondents were accessed the web addresses of Romanian CECCAR county branches randomly selected (16 counties out of a total of 41 Romanian counties) in order to collect a representative number of CECCAR members e-mail address. After data collection process (July and August 2014) results were disseminated (August 2014).

Further, the questionnaire was uploaded on an on-line platform for collecting the results and distributed to 4,000 e-mail addresses of certified accountants, accounting firm and accounting expertise firm. From all selected e-mail addresses we received 90 valid responses. For an estimated 40,000 member of CECCAR, we computed a sample error of ±10.3%.

Thus, were established the following objectives and hypotheses related to the questionnaire, which were also tested in August 2014, after the responses collection.

Hypothesis no. 1: Professional accountants are satisfied with Romanian national accounting regulations (OMPF 3055/2009);

Hypothesis no. 2: Professional accountants (CECCAR members) consider application of an international standard for SMEs, namely IFRS for SMEs as being opportune and advantageous.

Hypothesis no. 3: Professional accountants are aware of the existence of IFRS for SMEs.

Hypothesis no. 4: Professional accountants consider IFRS for SMEs as an alternative to financial reporting Romanian SME.

To validate the four hypotheses, among other questions related to financial accounting information and practices used by professional accountants, were formulated the following questions addressed to Romanian professional accountants and accounting and expertise firms:

Question no. 4: In general, how satisfied are you with the Romanian national accounting regulations (OMPF 3055/2009) regarding SMEs financial reporting?

Question no. 5: On a scale of 1 to 7, to what extent do you consider adequate to define specific requirements for financial reporting/regulations for each category of SMEs (microenterprise, small and medium enterprises) and not only to specify criteria threshold for preparation of abridged/full set of financial statements under OMPF 3055/2009?

Question no. 9: In general, how often do you refer to/or use the international accounting standards (IAS - IFRS) in your professional activity?

Question no. 10: Are you aware of the existence of IFRS for Small and Medium Enterprises (IFRS for SMEs)?

Question no. 11: Do you think adopting an international standard, namely IFRS for SMEs may represent an alternative compared to current Romanian financial reporting according to national accounting regulations OMPF 3055/2009?

Question no. 12: How do you assess the chance of adopting and financial report according to an international standard such as IFRS for SMEs by Romanian small and medium enterprises (multiple answers possible)?

Question no. 13: Do you think should be brought changes/improvements in financial reporting of Romanian SMEs?

Question no. 14: In what way should be changes considered for Romanian accounting regulations (OMFP 3055/2009) in order to improve SMEs financial reporting?

VI. RESULTS

Given the descriptive analysis of the responses and objectives of the study were disseminated the following results and conclusions showed in Table II.

As we can see from the Fig. 1, around 65% of the certified accountants are satisfied with Romanian national accounting regulation (OMFP 3055/2009).

Currently, the Romanian national entities prepare financial statements in accordance with the Order no. 3055/2009...
approving the accounting regulations compliant with European accounting directives (OMFP 3055/2009).

Forward, certified accountants were asked if the case of changes or improvements for Romanian SMEs financial reporting and they were asked also to assess level of agreement on the five point Likert scale, from 1 as Strongly disagree to 5 as Strongly agree.

TABLE I: DESCRIPTIVE STATISTICS OF RESPONDENTS

<table>
<thead>
<tr>
<th>Characteristics of respondents</th>
<th>No.</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>30</td>
<td>33.33</td>
</tr>
<tr>
<td>Female</td>
<td>60</td>
<td>66.67</td>
</tr>
<tr>
<td>Total</td>
<td>90</td>
<td>100.00</td>
</tr>
<tr>
<td>2. Certified accountant experience (CECCAR member)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less than 5 years</td>
<td>15</td>
<td>16.67</td>
</tr>
<tr>
<td>Between 5 and 6 years</td>
<td>23</td>
<td>25.56</td>
</tr>
<tr>
<td>Over 15 years</td>
<td>52</td>
<td>57.78</td>
</tr>
<tr>
<td>Total</td>
<td>90</td>
<td>100.00</td>
</tr>
<tr>
<td>3. Work place (multiple choice question)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Within a company of accounting, accounting expertise and other specific activities</td>
<td>20</td>
<td>19.05</td>
</tr>
<tr>
<td>In the accounting department of a company</td>
<td>28</td>
<td>26.67</td>
</tr>
<tr>
<td>In the accounting department of a public institution / banking/ insurance/ company etc</td>
<td>5</td>
<td>4.76</td>
</tr>
<tr>
<td>Certified self employed</td>
<td>48</td>
<td>45.71</td>
</tr>
<tr>
<td>Working in related field of activity</td>
<td>4</td>
<td>3.81</td>
</tr>
<tr>
<td>Total</td>
<td>105</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: Author’s projection of the results.

Even if around 65% of certified accountants, as it could be seen from the Fig. 2, declared satisfied with national accounting regulation, more than 70% of the total respondents consider there is room for changes or improvements in financial reporting of Romanian SMEs.

Forward, to gather more detailed responses, professional accountants were asked to select the way which they consider would lead to improvements of Romanian national SMEs financial reporting. The results are showed in Fig. 3.

Fig. 1. Satisfaction level of the certified accountants regarding the Romanian national accounting regulation.

Fig. 2. Opinion of professional accountants if improvements in Romanian accounting legislation are necessary.

Analyzing the responses received to the above question we concluded that most of the certified accountants consider that reducing the amount of the information presented in the financial statements according to category of SMEs (39%) would lead to improvements of Romanian national SMEs financial reporting. The results are showed in Fig. 3. where:

- By reducing the number of accounting options and/or methods according to SMEs category (25%)
- By increasing the number of accounting options and/or accounting methods according to SMEs category (2%)
- By reducing the amount of information presented in the financial statements according to category of SMEs (39%)
- By increasing the volume of information presented in the financial statements according to the category of SMEs (4%)
- By allowing at least the voluntary application of an international standard specially designed for SMEs (e.g. IFRS for SMEs) (16%)
- I don’t know (6%)
- No change of the current regulation (OMFP 3055/2009) (8%)
- Other answer (0%)
financial statements according to each category of SMEs and reducing the number of methods according to SMEs category as ways for improving Romanian SMEs financial reporting.

Because in Romanian accounting legislation (OMFP 3055/2009) there are not specified accounting threshold for classifying SMEs into: microenterprises, small enterprises and medium enterprises, we asked certified accountants to assess score, from 1 to 7 (Likert scale of Agreement), answering to what extent they consider adequate to define specific requirements for financial reporting or regulations for each category of SMEs (microenterprise, small and medium enterprises) and not only to specify criteria threshold for preparation of abridged or full set of financial statements under OMPF 3055/2009.

### TABLE III: DESCRIPTIVE STATISTICS OF THE CERTIFIED ACCOUNTANT’S OPINION FOR ADOPTING SMES ACCOUNTING THRESHOLD SPECIFIC TO EACH CATEGORY SIZE OF SMES

<table>
<thead>
<tr>
<th>Statistic</th>
<th>No. of observations</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Median</th>
<th>Mean</th>
<th>Variance (n-1)</th>
<th>Standard deviation (n-1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Descriptive statistics (Quantitative data):</td>
<td>90</td>
<td>1</td>
<td>7</td>
<td>5</td>
<td>4,82222</td>
<td>3,33883</td>
<td>1,82725</td>
</tr>
</tbody>
</table>

Results from the Table III express that more than half of the certified accountants agree to implement accounting threshold for each category of SMEs and furthermore, they consider adequate to define specific requirements of financial reporting or regulations for each category size of SMEs.

When asked how often certified accountants refer to or use international accounting standards, 57.77% of the respondents said they never or rarely use or refer to IAS – IFRS in their professional activity.

Forward, certified accountants were asked if they are aware of the existence of the IFRS for SMEs. As we can observe from the Fig. 4, 78% of the certified accountants responded they are aware of the IFRS for SMEs existence.

Moreover, certified accountants were asked their opinion if IFRS for SMEs could represent a better alternative compared to current Romanian financial reporting (national accounting regulations OMPF 3055/2009).

Analysing the responses of the certified accountants, we concluded that third of respondents (33.33%) are undecided if IFRS for SMEs represents an alternative to Romanian accounting legislation. We can assume this as a consequence of the scarce knowledge of the content of IFRS for SMEs. Though, around 45% of the respondents agree IFRS for SMEs as alternative to actual accounting regulation.

The above Fig. 5 reflects certified accountants opinion when asked to assess the chance of adopting and financial report according to an international standard such as IFRS for SMEs by Romanian small and medium enterprises. From the above results, we concluded that 40% of the certified accountants consider the adoption of IFRS for SMEs as opportune and beneficial for Romanian SMEs, while 43% consider the adoption of IFRS for SMEs unnecessary and an additional cost for SMEs.

### VII. CONCLUSION

Even if the official position of the European Commission was to reject IFRS for SMEs, there were two member states of the European Union (United Kingdom and Ireland) which decided to adopt IFRS for SMEs as FRS 102, but considering significant changes made in order to comply with European accounting directives.

Through our study we wanted to analyze member states professional accountants, users and preparers views about the IFRS for SMEs adoption in Europe and based on the reviews of the related literature, we found different opinions across Europe.

The purpose of the paper was also to understand the Romanian professional accountants’ opinion about the possible adoption of IFRS for SMEs and to identify some aspects of financial reporting.

Given the formulated hypotheses of the questionnaire, we concluded that Romanian professional accountants are partially satisfied with current Romanian national accounting regulations.

Romanian professional accountants are aware of the existence of IFRS for SMEs and IFRS standards, but more than half of them never or rarely use or refer to IAS – IFRS in their professional activity.

However, less than half of the respondents consider application of IFRS for SMEs as being opportune and advantageous. Also, an important number (around 40 per cent
of respondents) of the Romanian professional accountants which participated to our study consider IFRS could be an alternative to Romanian SME financial reporting.

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REFERENCES


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A. Stoica was born in Fălticeni, Suceava County, Romania, on the 1st of August 1989. She has her bachelor degree in business administration, earned in 2011 and a master degree in business administration, earned in 2013, both at the Faculty of Business Administration, University of Economic Studies, Bucharest, Romania. Starting from 2013, she is a PhD candidate at the Faculty of Accounting and Management Information Systems at the University of Economic Studies, Bucharest, Romania. This degree that she aims to will be earned in 2016. Her paper was presented in scientific seminars and conferences in Romania are related to interests such as accounting harmonization and accounting convergence, international financial reporting standards, fair value accounting, financial reporting, accounting legislation, change management.

She has started her work experience in 2012 at Hewlett Packard, in Bucharest as a support specialist for the ecommerce area. Starting from 2013 she is an EMEA ecommerce asset manager at the same company in Bucharest.