Implementation of IFRS as Base of Accounting – A Case Study on Romanian Banking System

Anamaria Stoica and Buculescu Maria Mădălina

***Abstract*—In a dynamic business environment, the accounting standards regulators are following the changing trend, by creating a unique set of financial reporting standards – International Financial Reporting Standards – IFRS.**

In Romania, the International Financial Reporting Standards (IFRS) usage evolved from a set of financial statements created for informative purposes to a mandatory set of statements using as accounting basis the IFRS principles for the financial institutions.

The fiscal year ending on 31st of December 2011 was a transition year from the financial statements prepared according to Romanian accounting standards to International Financial Reporting Standards. Consequently the Romanian financial institutions had to prepare 2 sets of financial statements, one according to the national referential and one according to the international referential.

The aim of this paper is to assess what are the existing differences between national referential and international one by comparing the results reported for year ending on 31st of December 2011, for the same economic activities. The results of this research revealed a relative small differences for total assets, total liabilities shareholder's equity and net operating cash flows, significantly higher results under national system for revenues and expenses and an inconsistent behavior for net profit or loss.

***Index Terms*—Accounting standards, financial statements, IFRS, Romanian banking system.**

I. Introduction

Accounting regulations have always been subject to change due to the dynamic business environment, dynamic fiscal policies, or due to changing users' needs. Since the International Accounting Standard Board (IASB) – the European headquartered accounting regulator joined efforts with the Financial Accounting Standard Board (FASB) – the American headquartered accounting regulator, through the Norwalk Agreement, the accounting changes were more frequent and more different [1].

The purpose of the Norwalk Agreement was to reach a consensus in terms of accounting standards used, in order to improve the transparency and comparability of the financial statements for the stakeholders.

An important sustainer of this initiative was the European Union that decided in 2002 to adopt the international accounting standards for the listed companies. Starting from that specific moment, we have seen subsequent adoption or convergence with the International Financial Reporting Standard worldwide [2].

International Financial Reporting Standards are the result of a desire and a need to diffuse, at international level, the accounting experience of different countries, to harmonize the cultural differences and the social-economic characteristics that are over loading the national accounting systems and to create a unique conceptual model of financial statements [3].

Among the adopters of these standards is also Romania, mainly due to the social-economic connections with the European Union. Starting with 2002, the European country has performed several activities to adapt to the new accounting standards.

The most recent change that Romania has undertaken, is the implementation of International Financial Reporting Standard as basis of accounting. Starting from 2012, financial institutions from Romania together with the publicly traded companies were obliged to prepare their financial reports using the IFRS referential as accounting base, meaning that all constitutive elements of financial reports have to be recognized according to IFRS principles and not according to national accounting standards.

Due to the complexity of the activities and financial instruments that these entities are using, the adoption process was quite complex and challenging. The application of IFRS as basis of accounting can be classified as one of the most difficult projects that the Romanian banking system has ever handled and the impact is quite significant [4], [5].

Hence, this paper intends to underline some of the aspects of this changing process and the impact that this change had on banks' financial statements. The research paper is further on structured in four parts: first part focuses on describing the context of International Financial Reporting Standards in Romania from a legislative, challenges and differences perspective, second part underlines the characteristics of the national banking sector, third part is describing the methodology used for the research and the fourth part is analyzing the results obtained, closing the paper with some remarks regarding limitations of the current research and future research directions.

II. IFRS in Romania

A. *Evolution of the Legislative Framework*

In Romania, they key institutions that led the International Financial Reporting Standard adoption process for the banking sectors were: Ministry of Public Finance

Manuscript received November 5, 2014; revised January 14, 2015.

The authors are with the University of Economic Studies, Bucharest, Romania (e-mail: stoica.anamaria20@yahoo.com, buculescumadalina@yahoo.com).

DOI: 10.7763/JOEBM.2016.V4.361

(MPF), Association of Romanian Banks (ARB) and the National Bank of Romania (NBR), having different roles in this adoption process.

The Ministry of Public Finance is a central institution with a focus on the budgetary, fiscal and administrative policies that coordinates the relationship with European Union and the community's institutions, aiming to harmonize the national legislation with the European Union regulations [6].

The Romanian Banks Association is a community of 39 credit institutions whose main purpose is to represent and defense their members' interest, to facilitate the communication between the banks and public institutions and to find solutions for the existing problems in the banking system [7].

The National Bank of Romania is a public independent institution which has the main purpose of maintaining the prices stability and to support the economy of the state [8].

The public institutions: Ministry of Public Finance and National Bank of Romania are responsible for issuing normative acts to guide the IFRS implementation process. The normative acts issued by the Ministry of Public Finance are called: Orders of the Ministry of Public Finance (OMPF) and those issued by the National Bank of Romania: Orders of the National Bank of Romania (ONBR).

The evolution of the legislation necessary for the banking system from the perspective of IFRS adoption as accounting basis can be shortly framed in the period: 2006 – 2012, as it follows:

- 2006 – Mandatory IFRS for consolidated financial statements
- 2009 – Banking system evaluation for a possible IFRS application
- 2010 – Accounting regulations were issued for the baking system
- 2011- Update of reporting framework and prudential regulations
- 2012- IFRS adoption as accounting basis for the baking system [9].

One of the most important legislative act that sustained the adoption process was OMPF 907/2005 which stipulated the fact that banks should prepare consolidated financial statements in accordance with IFRS starting from 2006.

In 2008, the ONBR 13/2008 was issued as a regulatory framework that contained basic accounting principles and requirements for bookkeeping, but the fiscal profit and prudential indicators were still based on Romanian regulations [5].

The adoption of IFRS, by the Romanian banking system as basis of accounting, represented a request of the International Monetary Funds and European Union, being part of the financing agreements that were signed with the Romanian institutions. Following these recommendations the National Bank issued the Order 9/2010 stipulating that EU endorsed IFRS will have to be used as accounting basis starting with 2012.

Since the prudential filters and the fiscal profit were still under the jurisdiction of public finance regulations, in 2011, National Bank of Romania issued ONBR 11/2011 that stated the manner in which the prudential value adjustments have to be made and clarifying the classification of loans and placements and also the Emergence Governmental Ordinance 125/2011 which stipulated the fiscal policies for the transition period [4].

B. Implications of IFRS Adoption

The implementation process of IFRS as accounting basis took place in other European countries as well, and the adoption of IFRS as accounting basis became mandatory for the banking sector: Italy, Portugal, and Greece. The banking industry, together with the public traded companies were the first to be considered for this process because they are among the most important economic entities, having the tools and mechanisms to improve the comparability and transparency of the financial statements of credit institutions, and finally leading to a stable economy [4].

During the accounting harmonization process, the specialty literature seek to identify what are the advantages of such change and what can be the challenges that the implementers might come across. Research studies performed in this area, trying to assess the perceptions of the preparers of financial statements, accounting professionals and auditors are revealing that, in general, the persons involved in this change are aware of the benefits of such a change.

On the one side, among the advantages of IFRS implementation as accounting basis, we can count alignment of the financial statements to the stakeholders' needs, better information for the decision making process and more trust of investors in the information disclosed [5] [9].

A large number of researches are pleading for the higher degree of comparability and transparency of financial situations, as a result of the IFRS implementation [10].

Together with the higher degree of comparability, also a better audit trail can be achieved, for the figures included in the international statements, as a result of an improvement internal documentation and an increased automated processes [11].

Under IFRS implementation as accounting basis, the double reporting will no longer be needed, leading to a cost reduction and elimination of the confusion among users [5], [9].

And one of the key element for the future, is the advantage that consists in the current significant professional development in the field of knowledge base of accounting, but also a well prepared financial reporting personnel, as a result of their involvement in the implementation process (working groups at the Romanian Banking Association, training programs and debates) [11].

On the other side, the challenges of adopting IFRS as accounting basis are as numerous as the advantages, and sometimes difficult to overcome as a single entity. From our perspective, the main type of challenges raised by this changing process are: legislation or lack of it, the necessary cost to adapt the IT systems to the new requirements and the human resources factor.

In terms of legislative challenges, we can name on the one side the complex and continuously changing nature of IFRS, delayed prescriptions for prudential regulations and fiscal policies, which generated confusion among preparers of financial statements and insufficient application guidance.

The necessity of changing/updating the IT systems used by each bank is by far the most challenging process, since it requires to modify the internal evidence systems of credit institutions and together with that, the change of corresponding operating models and processes [12].

In the same time, having to satisfy multiple reporting requirements like: financial, fiscal and prudential, will lead to an increased cost with the software acquisition. Furthermore, considering the complexity of the change, the majority of involved entities are requiring the services of external consultant or auditor [13].

The challenges faced by the human resource factor is the lack of knowledge in some cases, the need to adapt to a different methodology based on professional rationality and not on rules, the complex nature of IFRS correlated with the insufficient or work in progress application guidance*)* and the ability to manage the volatility of earnings and owner's equity [10], [14].

C. Convergence to IFRS

In the specialty literature, there are several studies that aim to identify the level of convergence of national standards with international standards and to identify the differences between these national and international standards in order to assess the level of convergences, to understand the needs of the harmonization process, to provide evidence of discrepancies between national regulations and IFRS with the aim of new standards development or change.

A research made for Canada shows that, for the finance industry, the level of total assets and profit is higher when the IFRS referential was used than Canadian accounting standards were used, due to the fair value accounting which recognizes the gain or losses directly in the income statement [15].

Another initiative in this area are the annual surveys made by KPMG in order to identify the financial elements for which the results reported under Romanian national standards are highly different than those reported under IFRS referential. The main elements identified are: the impairment of loans and advances, the fair value adjustments, the amortized cost measurement and the deferred tax adjustments [13].

A research paper performed for China, aiming to identify the convergence level of national Chinese accounting standards and IFRS, indicated a 0.7497 matching coefficient, which indicates that between local and international standards there is a substantial convergence, but yet there are still differences that need to be addressed further [16].

III. Romanian Banking System

This paper analyzes the manner in which the financial statements prepared by the Romanian banks were impacted by the accounting regulation changes that took place starting with 2012. The national banking system is composed of a central bank – National Bank of Romania and 40 credit institutions. In terms of capital distribution, Romanian banking system has the following components:

- 25 institutions with majority foreign capital
- 9 subsidiaries of foreign credit institutions
- 3 entities with national private funding
- 2 banks with major or integral state capital
- 1 credit co-operative

The majority of Romanian banking system is built on foreign capital, Austrian banks holding 37.1 % in terms of assets, the French having only 13.5%, followed by the Greek capital with 12.3% [7].

This capital structure explains the propensity of our country towards IFRS adoption. On the one hand, financial statements prepared using IFRS referential are facilitating the reporting process between the subsidiaries that are set in Romania and headquarter, on the other hand, in case of mergers or acquisition from abroad, the transition process is easier to be performed.

Another specificity of Romanian banking system, is the fact that, almost 40% of the assets of the entire industry assets are owned by the first 3 banks BCR - Romanian Commercial Bank (17.8%), BRD – Romanian Bank for Development (12.9%) and Transylvania Bank (9%) [8].

Considering the concentration of assets in only these 3 banks, in order to assess the impact that the transition to IFRS as basis of accounting had at the level of financial statements, we decided to perform an analysis for the first 3 banks, following that, in future research paper, to analyze all the banks impacted by this change.

IV. Research Methodology

In order to reach our objective, to assess the impact of the transition to IFRS that took place in 2012, we have used as research method, the case study. This research method provided us the necessary tools to study the complex phenomenon of transitioning to IFRS, in order to better understand the context of the situation, to find answers to the "how" and "why" questions and to get an insight into this changing process [17].

This paper focuses on analyzing the first 3 banks in terms of assets from Romania and which we will note as Bank 1 (BCR), Bank 2 (BRD) and for Bank 3 (Transylvania Bank), to be easier to be followed by the reader.

In order to find the necessary information for this study, we have consulted the financial statements of these 3 banks for 2011 and 2012. The analysis of financial statements consisted in 2 parts. The first part represented an analysis of the balance sheets, income statements and the cash flow statements for fiscal year ending on 31st December 2011. According to the legislation in force, the banks had to create for 2011 two sets of financial statements: one using the national referential and one using the IFRS referential. For the financial results reported using the national accounting standards, we have consulted the statements for 2011 and for the financial results using the IFRS we have consulted the statements prepared for 2012 and took the data from the column with prior year results.

The second part was represented by the analysis of the notes available in the financial statements to better understand the background of the number reported.

Based on the pervious literature review, we have focused our attention on 7 elements that were considered representative for observing the impact of the transition process. The 7 elements that were analyzed, by comparing the results visible under Romanian National Regulations (RAS) with those disclaimed under the International

Financial Reporting Standards (IFRS), are: total assets, total liabilities and shareholder's equity (from the Balance Sheet), revenues, expenses and net profit or loss (from the Income Statement) and net operating cash flow (from the Cash Flow statement) [13], [15].

For each bank, for this 7 financial elements we have recorded the results available in financial statements reported under the national referential and under the IFRS referential, and used them as raw data to realize bar charts to easily compare them.

V. RESULTS

In order to assess the differences that were in place between the Romanian Accounting Standards (RAS) and in International Financial Reporting Standards, at the moment of transition, 2012, we have compared the results obtained in the financial statements for each bank. The financial results were collected in RON – the national currency of Romania and they were converted to EUR using the average exchange rate provided by National Bank of Romania for 2011: 4,2379.

A. Bank 1 Results

First, we compared the results of Bank 1 considering for comparison the before mentioned 7 financial indicators: total assets total liabilities, shareholder's equity, revenues, expenses, net profit or loss and net operating cash flow.

In Fig. 1, the first bar is represented by the results disclaimed under RAS referential, while the second bar represents the results obtained under IFRS referential. It can be observed easily that the total assets, total liabilities and shareholder's equity are greater when reported under IFRS, than when they are reported under RAS. The total assets under IFRS have the value of EUR 17,434 mil., whereas under RAS total assets have the value of EUR 16,735 mil. , recording a difference of EUR 699 million. Total liabilities recorded under IFRS EUR 15,582 mil. and under RAS, EUR 15,582 mil., the difference between these results being EUR 235 mil.

The difference between the results recorded for shareholder's equity is EUR 464 mil., EUR 1,388 mil. under IFRS and EUR 1.852 mil. under RAS.

The results obtained are sustaining the information found in the specialty literature in the sense that: the differences between total assets under IFRS and under RAS is generated by different evaluation method used for assessing the value of accounts receivables, their value being greater in the international referential, than in the national one.

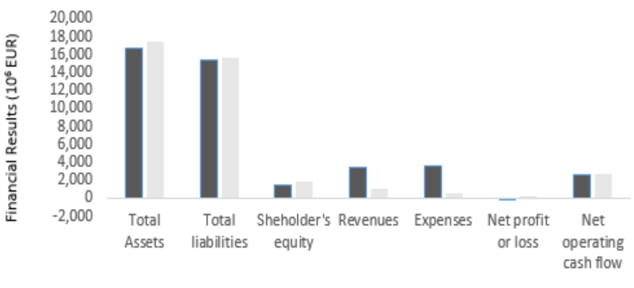

Fig. 1. Differences between RAS and IFRS for Bank 1.

The differences at liabilities level are generated by variations between the level of provisions, securities and debts towards other credit institutions. As far as the equity is concerned, the difference is generated by different ways to record the reevaluation reserves (higher in RAS than in IFRS) and the reported result (positive in IFRS, negative in RAS).

When analyzing the differences between the 2 reporting systems in terms of revenues, we can observe that the larger values are recorded under RAS. The total revenues under RAS are EUR 3,442 mil., while under IFRS they are EUR 1,018 mil. , a value 3.38 times higher in RAS than in IFRS. This high difference is mainly generated by the recognition of provisions.

As far as the net profit/loss is concerned, under RAS the Bank 1 recorded a loss of EUR 121 mil. , while under IFRS the results are positive EUR 58 mil.

For Bank 1, for the 7 elements analyzed, there were similar results recorded under RAS and IFRS for total assets, total liabilities, shareholder's equity and net operating cash flow, considerable higher results for revenues and expenses under RAS compared to IFRS, and in terms of the financial result under RAS there was recorded a loss, whereas under IFRS the result was positive.

B. Bank 2 Results

For Bank 2, the results recorded for total assets (RAS: EUR 11,333 mil., IFRS: EUR 11,504 mil.), total liabilities (RAS: EUR 10,128 mil., IFRS: EUR 10,005 mil.) and shareholder's equity (RAS: EUR 1,205 mil., EUR 1,390 mil.) are very close, showing that there are small differences between the national referential and international referential in terms of balance sheet items.

For Bank 2, major discrepancies are visible in terms of revenues and expenses, where the results recorded under RAS are considerably higher than those recorder under IFRS. The larger results under RAS are generated by the fact that there are recognized the corrections of accounts receivables, provisions and financial assets. The situation of Bank 2 is similar with the situation of revenues and expenses of Bank 1.

In terms of net profit or loss, the results recorder by Bank 2 under RAS (EUR 110 mil.) are close to those recorded under IFRS (EUR 102 mil.).

Fig. 2. Differences between RAS and IFRS for Bank 2.

Fig. 2 reflects the image of the small differences between RAS and IFRS results for total assets, total liabilities, shareholder's equity and net profit and the large differences for the revenues and expenses.

C. Bank 3 Results

For Bank 3, the assets, liabilities, shareholder's equity and net operating income have similar values, while in terms of revenues and expenses, the RAS results are considerably higher than IFRS.

The manner in which the differences are distributed for Bank 3 are similar with the results obtained by Bank 2 and Bank 1 in terms of revenues and expenses. For Bank 3, the value of revenues under RAS was EUR 1,420 mil. , whereas under IFRS EUR 894 mil., the RAS value being with almost 60% greater than the IFRS value. Furthermore, for Bank 3, the expenses recorded under RAS are EUR 1,376 mil. and the IFRS results EUR 497 mil., the results under national referential recording an amount larger with almost 180% than the international referential.

For Bank 3, the net results recorded for 2011 are positive under the national referential and international one, but the IFRS result (EUR 54 mil.) is with 75% higher than the RAS result (EUR 31 mil.) which is different than the results recorder by Bank 1 and Bank 2.

In Fig. 3 it can be observed graphic the small differences in results for Bank 3 for total assets, total liabilities, shareholder's equity and net operating cash flow and the large discrepancies available between results for revenues, expenses and net profit or loss.

As a general observation we can say that for the 3 most important banks in Romania, the results recorded under RAS tend to be similar with those recorded under IFRS, in terms of total assets, total liabilities, shareholder's equity and net operating income. The financial elements with disruptive results recorded under IFRS and RAS are the revenues and expenses where results are higher under the national system than the international referential, all 3 banks displaying in their income statements the corrections related to provisions, receivables and financial instruments.

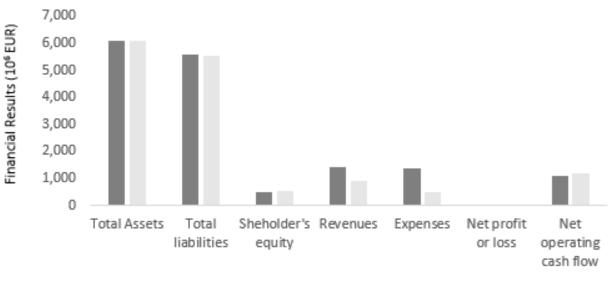

Fig. 3. Differences between RAS and IFRS for Bank 3.

If for total assets, total liabilities, shareholder's equity and net operating cash flow, the results recorded under national standards are very close to the results recorded under international standards, for revenues and expenses, the results recorded under RAS are considerable higher than the results recorded under IFRS; in terms of net profit or loss, there is no path than can be defined based on the 3 cases analyzed because, for Bank 1, under RAS the financial institution recorded a loos, while under IFRS it recorded a profit, for Bank 2, the net profit values were very close in the national and international referential, and for Bank 3, the IFRS result is with 75% higher than the RAS result.

VI. Concluding Remarks

The harmonization of accounting standards is a complex, dynamic, challenging and useful process that is impacting the business environment, the professional societies and public institutions all over the world. Since this is a changing process, I consider that is our duty as researchers to identify those aspects that are not in the best interest of the involved parties, to address them to the regulatory institutions and to provide solutions.

This research paper is an attempt to underline what are the difficulties that the banking sector has gone through, not with the purpose of simply looking back, but in order to emphasize what still needs to be improved in the current standards, what were the most challenging aspects of the transition and what are the future directions of international standards implementation in Romania and what are the areas where the convergence

In terms of what needs to be improved, based on our research paper, we might say that there should be made an improvement in the manner of how these standards are communicated, and the application guidance provided, there is still visible a lack of harmonization for the revenues and expenses financial elements.

In terms of the most challenging aspects of the transition process, in the order of frequency encountered in the specialty literature, we can count: the update of the informatics system, delayed and not complete prudential and fiscal policies, and the lack of knowledge and change of perspective for the accounting preparers.

If we are too look at the future, we should first of all observe the trends of having IFRS implemented for SMEs and that is why we should learn from the experience of banking sector that had the necessary financial strength to prepare for this transition, but keeping in mind that the same rule doesn't apply for SMEs. For that transition process, the authorities will have to be better prepared, with the regulations presented in advance and with an answer for the informatics system that will be used.

The limitations of this paper are mainly represented by the low number of banks investigated and information available on the official websites of the banks.

The current paper is a basic research, performed in order to understand the transition process from an individual perspective, following that in the coming month to focus our attention on a research for all the entities from the Romanian banking sector, followed also by a European approach.

Acknowledgment

This work was cofinanced from the European Social Fund through Sectoral Operational Programme Human Resources Development 2007-2013, project number POSDRU/159/1.5/S/142115, Performance and excellence in doctoral and postdoctoral research in Romanian economics science domain.

References

[1] FASB. News Release 10/29/02 FASB and ISAB agree to work together toward a convergence of global accounting standards. *Financial Accounting Standards Board*. [Online]. Available: http://www.fasb.org/news/nr102902.shtml.

[2] G. Russell, "Introductory remarks," presented at the IFRS: International Experience and Implementing Them in the Banking Sector of Romania in 2012 Conference, Bucharest, June 20, 2011.

[3] A. Dutescu, A guide for understanding and applying the intenational accounting standards (Ghid pentru înțelegerea și aplicarea standardelor internaționale de contabilitate), Bucharest, CECCAR, 2001, pp. 12-20.

[4] T. A. Grecu, "IFRS implementation in Romanian bank - challenges from a management and audit prespective/Aplicarea IFRS in bancile romanesti – provocari din perspectiva managementului si aduitului," *Audit Financiar,* vol. 12, pp. 42 – 48, December, 2011.

[5] M. M. Girbina, M. Minu, S. Bunea, and M. Sacarin, "Perceptions of preparers from Romanian banks regarding IFRS application," *Journal of Accounting and Management Information Systems*, vol. 11, issue 2, pp. 191- 208, June 2012.

[6] Ministry of Public Finance. The role and organization of Ministry of public Finance (Rolul si organizarea MFP). [Online]. Available: http://www.mfinante.ro.

[7] Romanian Banks Association. Who we are? (Cine suntem?). [Online]. Available: http://www.arb.ro.

[8] National Bank of Romania. National Bank of Romania – Objective and purpose of NBR (Banca Nationala a Romaniei – Obiectivul si rolul BNR). [Online]. Available: http://bnr.ro/.

[9] C. Stefan, "NBR regulations in the context of IFRS implementation," presented at the IFRS: International Experience and Implementing Them in the Banking Sector of Romania in 2012 Conference, Bucharest, June 20, 2011.

[10] M. Sacarin, S. Bunea, and M. M. Girbina, "Perceptions of accounting professionals on IFRS application at the individual financial statements: Evidence from Romania," *Journal of Accounting and Management Information Systems*, vol. 12, issue 3, pp. 405-423, 2013.

[11] A. Dochia, "Comments on perceptions of preparers from Romanian banks regarding IFRS application," *Journal of Accounting and Management Information Systems*, vol. 11, issue 2, pp. 209-212, June 2012.

[12] T. Dunne *et al.* The implementation of IFRS in the UK, Italy and Ireland. [Online]. Available: http://icas.org.uk/res_helliar_ifrs_report.pdf.

[13] KPMG. IFRS: The race is on…The last lap! KPMG survey of the Romanian financial institution's use of international financial reporting standards compared with Romanian accounting standards. [Online]. Available: https://www.kpmg.com/RO/en/topics/Documents/are%20we%20there%20yet%202011%20web.pdf.

[14] M. Hoogendoorn, "International accounting regulation and IFRS implementation in Europe and beyond - Experiences with first-time adoption in Europe," *Accounting in Europe*, vol. 3, pp. 23-26, 2006.

[15] M. Blanchette, F. É. Racicot, and K. Sedzro. IFRS adoption in Canada: An Empirical Analysis of the Impact on Financial Statements. [Online]. Available: http://www.cga-canada.org/en-ca/ResearchReports/ca_rep_2013-10-03_IRFS.pdf

[16] X. Qu and G. Zhang, "Measuring the convergence of national accounting standards with international financial reporting standards: The application of fuzzy clustering analysis," *The International Journal of Accounting,* vol. 45, pp. 334-355, 2010.

[17] P. Baxter and S. Jack, "Qualitative case study methodology: Study design and implementation for novice researchers," *The Qualitative Report,* vol. 13, issue 4, December 2008.

A. Stoica was born in Falticeni, 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, degree that she aims to earn 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.

M. M. Buculescu (Costică) was born in Urziceni, Ialomita County, Romania, on the 20th April 1987. She received her bachelor of accounting when graduated from the Faculty of the Accounting and Management Information Systems in the University of Economic Studies in 2009, Bucharest, Romania and two years later received master degree in accounting at the same university. Now she studies for PhD at the University of Economic Studies, Bucharest, Romania and since 2009, she has worked as an economist (/accountant) within an accounting and expertise firm. Her published papers and papers presented within conferences in Romania are related to areas, such as SMEs definition, SMEs financial reporting and accounting legislation, international financial reporting standards, IFRS for SMEs, harmonization process, and accounting convergence.