

DEVELOPMENT OF INTERNATIONAL FINANCIAL FISCAL STANDARDS IN ACCORDANCE WITH THE ROLE OF IASB

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Abstract: The objective of the research is to demonstrate the role of International Accounting Standards Board in the development of International Financial Reporting Standards to support the efficiency of international capital markets from 1973 to 2011, and then to measure the impact of the application of IFRS in accordance with the role of the International Accounting Standards Board. There have been differences in the market, volumes of the first and second markets and in the share price index, refer to market value, trading volumes yet trading volumes appropriate according to the software over International Financial Reporting Standards between the training on monetary statements of agreement stock companies.

Keywords: demonstrate the role of International Accounting ,development of International Financial

1.0 Introduction

Many nations among the world have adopted worldwide accounting requirements, then international financial fiscal standards in developing countries. The Board of Accounting and Auditing Standards is the only dominion between issuing accounting requirements, then relying about international accounting standards⁽⁷⁾ It is no longer denying provincial legislation's. The variety of countries necessarily lead to discrepancies within accounting standards or practices.

In a pioneering attempt by some countries on some continents, especially Europe, Australia and North America, IASC was established on 29 June 1973 and is a private, non-profit private sector institution that aims to serve the public interest.⁽⁵⁾ A global leader leads the development of a set of standardized, high-quality, understandable and binding global accounting standards to assist.⁽¹⁶⁾

- a) Participants in the international financial markets.
- b) Other users in making their economic decisions.

Durability in the method according in conformity with useful resource the assignment regarding the Board in the development, alternate yet issuance involving severe global necessities - the International Accounting Standards (IAS), earlier than the IASB ("the Framework because concerning the Preparation then Presentation over Financial Statements"), over the Financial Statement and adopted by means of the recent Council inside 4/2001.⁽⁵⁾ This frame has conducted in conformity with deep variations regarding the

characteristics, hypotheses, concepts or obstacles on pecuniary accounting (accounting policies) compared according to the prevailing American model. The Board's development and improvement about the International Financial Reporting Standards (IFRS) has born after the improvement concerning the operational mode (accounting and reporting standards), ensuing in differences in the strategies regarding recognition, measurement, outgiving yet appeared within the US mannequin (measurement yet recognition).⁽⁵⁾

1.1 Problem Statement

This paper focuses on differences in domestic accounting standards within developing countries, Global accounting requirements Compared to other accounting standards used by foreign companies, the size of the minimization in terms of differences in accounting requirements and structures has an impact on improving monetary matching standards worldwide along with the International Accounting Standards Board.

1.2 Study Objective:

The primary goal over the study is in imitation of show the function concerning the International Accounting Standards Board between the improvement concerning IFRS according to assist the efficiency of global pecuniary markets, then, according to assess they have an effect on about the application regarding IFRS into bettering the inactivity over the monetary market.

1.3 Importance of the study:

The importance of the instruction stems beyond the appreciation of the situation regarding the study. The importance about the instruction is additionally increasing in typical as like it documents the international function about the International Accounting Standards Board in the development of IFRSs after support the inactivity over pecuniary markets.

- Recognition of the history of the IASB from 1973 to 2011.
- Recognition of the role of the IASB in the development of IFRS to support international capital markets.

1.4 Procedural concepts of the study:

- International standards for financial reporting:
Statements issued by a recognized organization (IASB) include IFRS, IAS, and IFRS Interpretations.
- Revitalizing the efficiency of the financial market:

Efficiency is defined as the non-deviation of the market value of the stock from its real value, while activating the efficiency of the money market (active market) is the full competitive market, where information and prices are available to all interested parties and foresight.

1.5 Study Variables:

1.5.1 Independent variables:

Application about International Financial Reporting Standards among the Preparation regarding Financial Statements regarding Public Shareholding Company's longevity (1989-2010).

1.5.2 Affiliate variables:

- Trading volumes for the first and second markets between the period 1978-1988 and the period 1989-2010.
- The share price index is weighted by market value between 1987 and 1988 and the period 1989-2010.
- Volume in the bond market between the period 1978-1988 and the period from 1989 to 2010.
- Trading volumes between the period 1978-1988 and the period 1989-2010.

2.0 Related Studies:

The researcher found between the Arabian nation and overseas studies so do together with the effect of the function of the International Accounting Standards Board for the coaching concerning monetary reviews to aid the efficiency over international financial markets. Perhaps the nearly vital research related in imitation of the present day study are the following in the table (1):

Table (1) Related Studies

Researcher	Name of study	Summary of Results
NADIAALBU, NICOLAEALBU, S'TEFANBUNEA, DANIELA ARTEMISACALU AND MARIA GIRBINA, 2011	"ASTORY ABOUT IAS/ IFRS IMPLEMENTATION IN ROMANIA AN INSTITUTIONAL AND STRUCTURATION THEORY PERSPECTIVE"	The study aimed at examining the depths and clarifying the issues related to the application of international accounting standards / international standard financial reporting in the growth countries (Romania), which committed to them after the adoption of the European Union, and the main findings of the study, there are two stages of applying the standards each with different results However, the second phase has a deeper and more qualitative impact. The first step was a forced outcome of an external force of the World Bank. The lack of other factors gave preference to the

Researcher	Name of study	Summary of Results
		process of change. The actual application of international accounting standards in that period was very limited, The second phase focused on reducing the scope of the inclusion of only financial institutions holding companies, but it was accompanied by a process of change is more important than the previous period.
GOORGEIATRIDIS&KONSTANTIADALLA, 2011	"EVIDENCE OF VOLUNTARY ACCOUNTING DISCLOSURES IN THE ATHENS STOCK MARKET"	The study showed that the application of IFRS has positively impacted the profitability of a large number of companies in the most industry sector, as demonstrated by the adoption of the International Financial Reporting Standards Have a negative impact on liquidity in the stock market and industry.
CHUNHUI LIU, 2011	"THE IMPACT OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS) ON EARNINGS MANAGEMENT: A REVIEW OF EMPIRICAL EVIDENCE"	The results show that the income statement prepared in accordance with US GAAP for the same amendments is a major contributor to this difference. The differences in accounting treatments The acquisition of the business environment is another major reason for the lack of comparison.
BONORDLUND, 2010	"VALUATION AND PERFORMANCE REPORTING IN PROPERTY COMPANIES, ACCORDING TO IFRS"	The study aimed at discussing the disclosure of the value of the property in the financial statements in accordance with IFRS. The results showed the importance of disclosing the methods of application and the significant assumptions about the value of the property and indicating the correlation between the estimated values and the market guide in accordance with IFRS.

It is obvious out of the preceding present as regards the applicable research therefore tons kind of is an bear an have an impact on of over the ball wide pecuniary reporting standards / accounting concepts upstairs the US / Egyptian accounting necessities of helping the efficiency as regards the international pecuniary markets, within unique Europe but Egypt. Therefore, the present instruction is a culling or

development over the relevant studies so it moves towards the have an effect on of the utility on global standards Financial reporting.

3.0 The theoretical framework of the study:

3.1 Scientific and practical rooting of the history of the International Accounting Standards Board

The International Accounting Standards Board (IASB) was once established regarding June 29, 1973, or the Amended Agreement yet the Statutes had been signed in November 1982.⁽⁹⁾ The International Accounting Standards Board (IASB) in addition, amended the Statutes between October 1992, Approval On May 2000, the expert accounting bodies adopted a mechanism according to enable the relevant Guardians to get along with the Statutes about May 2000, yet the Guardians acted according to activate the current Statutes into January 2001 then amended to them in March and July 2002.⁽¹⁰⁾ The Board of Trustees of the International Accounting Standards Board (IASCF) established the IASCF on February 6, 2001, in compliance with their obligations under the Statutes.⁽¹¹⁾ The Statutes were amended on May 5, 2003, reflecting the decision of the International Financial Reporting Interpretations Committee (IFRIC) The Board of Trustees amended the statute, which went into effect on July 8, 2002, to reflect other changes that have taken place since the establishment of the IASB, Led to the issuance of a guide to the IASB's working methods in March 2006, and a guide to the IFRIC's practice in January 2007.⁽⁵⁻⁶⁻⁷⁻⁸⁾

The International Accounting Standards Board (IASB) commenced its labor within 2001 beside its headquarters between London. The Board is done - because the commons helpful - according to increase a unified put in concerning international accounting standards so require obvious and comparable facts between the economic statements along standard goals.⁽¹⁷⁾

To achieve this objective, the Council cooperates with national accounting standards makers to achieve consistency between accounting standards around the world. Board members enjoy diverse professional competencies and mutual contacts around the world. The Board has been selected, monitored and funded by the International Accounting Standards Committee.

Board members are also appointed by the Trustees of the International Accounting Standards Committee (IASB) under the IASB Foundation Regulations. The trustees also appoint members of the Standards Advisory Board and IFRIC members. Trustees also monitor the effectiveness of the institution's supervisory board, adhere to the IASB, collect funds for the Board, approve its budget and take responsibility for systemic changes.⁽¹⁶⁾

As a result, the IASB includes the International Accounting Standards Board, the Standards Advisory Board and the Financial Reporting Interpretations Committee. The following is a brief description of their respective roles:

First: International Accounting Standards Board

The work of the International Accounting Standards Board (IASB) is aimed at the following: ⁽⁶⁻⁷⁻⁸⁻⁹⁻¹⁰⁻¹¹⁾

- 1- Develop an unaccompanied employ concerning high quality, understandable then capture worldwide accounting standards up to expectation require high multiplication information, transparency or comparability within sordid economic information or reports after help individuals between international metropolitan markets yet lousy customers of economic decision-making for the public interest.
- 2- Promote the strict use and software concerning those standards.
- 3- Taking among tab adequately the walnuts about emerging economies or the baby or medium-sized companies. ⁽¹⁶⁾
- 4- Conversion of national accounting standards, yet IFRS in accordance with excessive attribute solutions.

To achieve these objectives, the Board performs the following tasks

- a. Legal liability for international financial instruments and IFRS.
- b. Publish a draft of the presentation of all projects and publish draft data or any other documents to inform the public of major projects.
- c. The freedom to act in the field of work.
- d. Considers hold community meetings after talk about the proposed standards, though there is no need because of people conferences over each facility.
- e. Consider field tests (in each raised and rising markets) in imitation of securities that the proposed standards are practical then applicable between every environment, even though so is no use because area trying out for every facility.

International accounting requirements are promoted via worldwide approaches and practices involving accountants, monetary analysts or users regarding monetary statements, the enterprise community, stock markets, regulatory then felony authorities, academics or involved humans around the world. Witch, President. ⁽¹³⁻¹⁴⁻¹⁵⁻¹⁶⁻¹⁷⁾

Second: The Standards Advisory Board

The Standards Advisory Council (SAC) established in 1981 under the chairmanship of the President of the International Accounting Standards Board. The Standards Advisory Board provides a formal communication tool for other groups and individuals with practical backgrounds and different geographical environments to advise the Board and sometimes the Trustees. And the views that the Board adds to the role and mandate of the IASB. The Board aims to:

1. Advice to the International Accounting Board.
2. Provide other advice to the IASB or to the secretariats.

Third: International Financial Reporting Interpretations Committee

The International Financial Reporting Interpretations Committee (IFRIC) is a committee of the International Accounting Standards Board (IASB) to assist in the development and improvement of accounting and financial reporting standards for users, financial statements and auditors. The Board of Trustees established this committee on 3/2002 to replace The Standing Interpretations Committee, established in 1996, is the role of this committee to provide appropriate guidance on recently identified financial reporting issues that have not been specifically addressed in international reporting standards or on issues raised or likely to arise on.⁽⁷⁾

The Committee also assists the IASB in achieving international standardization of accounting standards. The IASB works on the following.⁽¹³⁻¹⁴⁻¹⁵⁻¹⁶⁻¹⁷⁾

- 1- Take for the application of International Accounting Standards then IFRS yet grant well timed practice regarding economic reporting issues as are now not mainly addressed between International Accounting Standards and International Financial Reporting Standards.
- 2- In method oversea its applications underneath the object (1) above, the Committee takes within estimate the goal on the IASB in imitation of work effectively together with countrywide standard-setting our bodies in accordance with varying national accounting standards, worldwide accounting standards and IFRS among wonderful solutions.
- 3- Publish the draft interpretations, to inform the public, and then consider the comments of the public before they are finalized.
- 4- 4 Reporting in conformity with the IASB then obtains its vindication about the remaining interpretations. In general, IFRIC interpretations are developed thru a global procedure involving accountants, economic analysts, ignoble customers of monetary statements, the enterprise community, the stock market, regulatory then criminal bodies, academics, humans and sordid involved businesses beside around the world.

In addition, the IASB seeks to coordinate with national working methods and provide opportunities for input to interested parties to contribute to the development of the International Financial Reporting Standards. ⁽¹⁶⁻¹⁷⁾

The chart (1) below shows the organizational structure of the IASB.



The Chart (1) the organizational structure of the IASB

3-2 The role of the IASB in the development of IFRS:

Within the framework of the objectives of the IASB, and the scope and authority of IFRS, the International Accounting Standards Board ⁽⁷⁻¹³⁻¹⁴⁻¹⁵⁻¹⁶⁻¹⁷⁾, that it achieves its objectives by:

- a. Development and dissemination of IFRSs.
- b. Enhance their use in the overall objective of the financial statements.
- c. Enhance its uses into vile monetary reports so consist of information obtained from backyard the monetary statements so help provide an explanation for a fulfilled measure over economic statements yet improve the user's potential in imitation of performing efficient financial decisions.

IASB also works in the process of developing IFRSs with national standard-setting bodies to enhance the importance of the conversion of IFRS and national standards.

The IFRS units forth the terms about recognition, measurement, presentation and exposure so much act, including great methods and activities between the objective concerning the economic statements, then may additionally embark those conditions because of transactions or occasions that occur commonly among particular industries. It should also be noted that the IASB FRAMEWORK was prepared in April 1989 and adopted in July 1989 and adopted by the Board in April.⁽⁵⁻¹⁶⁾

- a. Development about future IFRS and edition over present IFRS.
- b. Greater harmonization over accounting systems, requirements yet methods for the coaching over pecuniary statements by using offering the basis because reducing the wide variety about choice accounting redress permitted by means of IFRS.

Taking into account that this framework is not an international standard for the preparation of financial reports. However, into developing an accounting policy between the penury regarding a unique honor, then interpretation, particularly applicable after a precious item, the administration is required in imitation of note after the principles between the fabric or study theirs applicability, In definitive particular cases, a warfare might also arise among the frame yet the necessities or interpretations about the standard. In certain instances where a strife arises, the requirements about the IASB succeed on the framework. In addition, the International Accounting Standards Board (IASB) has divided the IFRS into two groups: the IFRS, the International Accounting Standards (IAS), and the First Group.

Generally, IFRS is advanced through a suitable worldwide system that includes accountants, financial analysts, other customers over financial statements, the business community, the inventory exchange, regulatory or criminal bodies, academics, humans yet sordid fascinated companies from round the ball.⁽¹⁷⁾

4.0 Summary and Results

The lesson aimed in accordance with look into the role on IASB within the improvement over international monetary reporting standards. In unique: First, the goal of the IASB is to that amount similar processes or events are accounted for yet said among comparable ways, then so many operations are accounted because of in a different way between every nature above a duration of the day then between entities. Therefore, the IASB does now not will in conformity with enable accounting cure options, The Board reconsidered yet desire proceed after animadversion those techniques yet activities as the IASB is permitted after chase, with the goal regarding reducing the quantity over such options.

Second, The IFRS is primarily based about a mold that addresses the ideas contained of the facts supplied of the normal goal regarding the financial statements. The objective of the frame is in accordance

with facilitating a steady and rational method than in accordance with furnishing a groundwork for the usage about good judgment of resolving accounting issues. Accounting data therefore so such is useful, useful or valid or has an extensive about considerations.

Third, IFRS is designed in imitation of the request after the standard goal on the forward monetary statements or reports for every profit-making projects. Although IFRSs are not designed in accordance with stand applied in accordance with nonprofit activities between the private sector, the commons quarter or Governmental agencies then projects involved in certain activities may also locate certain standards appropriate, and the International Public Sector Accounting Standards Board has issued instructions up to expectation IFRSs is applied in conformity with administration commercial enterprise enterprises.

5.0 Recommendations

Based on the above, the study suggests the following recommendations:

First, in the context of the global convergence of the International Accounting Standards Board (IASB) and the developments in IFRS, the study recommends that Arab governments and ministries should adopt these standards or work in accordance with international standards, due to the absence of a unified, documented and clear definition of accounting standards in the Arab countries. The full technical management in the Arab world or in any Arab country at the present time to develop a professional basis commensurate with the conditions of the Arab society.

Second, the study recommends that Arab security bodies or securities should adopt the application of IFRS in their legislation, regulations or instructions to compel registered companies to apply them in a global endeavor.

Thirdly, the study recommends that the accounting departments in Arab universities need to develop the curriculum and focus on teaching the IFRS in all financial accounting curricula rather than as an independent method. These standards, in addition to the local legislation related to the accounting profession, cover the following approaches: Finance companies, advanced accounting, international accounting, government accounting, construction accounting, accounting, insurance contracts, accounting, financial instruments, tax accounting, etc.

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تطوير المعايير المالية الدولية وفقا لمعيار مجلس معايير المحاسبة الدولية

الملخص: هدف هذا البحث إلى توضيح دور مجلس معايير المحاسبة الدولية في تطوير معايير التقارير المالية الدولية لدعم كفاءة أسواق رأس المال الدولية من 1973 إلى 2011، ومن ثم قياس أثر تطبيق المعايير الدولية للتقارير المالية وفقا لدور مجلس معايير المحاسبة الدولية. كانت هناك فروق في السوق، وأحجام الأسواق الأولى والثانية وفي مؤشر أسعار الأسهم، تشير إلى القيمة السوقية، أحجام التداول حتى الآن أحجام التداول المناسبة وفقا للبرمجيات على معايير التقارير المالية الدولية بين التدريب على البيانات النقدية للاتفاق شركات الأسهم.

الكلمات المفتاحية: إثبات دور المحاسبة الدولية ، تطوير المالية الدولية.
