

Establishing a System of Accounting Standards: A Case Study of Macau

Ratnam Alagiah* and Tan Cheng Lok**

This paper studies the current accounting standards requirements in Macau. Macau has its own financial reporting standards for commercial enterprises, although it is not yet fully developed. We identify that currently there is a lack of a set of financial reporting standards to govern private not-for-profit organizations and also Macau has not yet built up a set of government accounting standards. Currently government departments in Macau mostly adopt cash basis budgeting with the exception of six government entities. The authors propose that Macau should establish a system of accounting standards for various entities in order to improve accounting information quality and thus protecting public interest. It is recommended that at the commercial enterprises level, full adoption of IFRS should be implemented, while at the same time maintaining the current “small GAPP” for small-medium sized enterprises. For private not-for-profit organizations, there is an urgent need to establish a set of financial reporting requirements but it should be simple and based on historical cost accounting. In the long run, Macau should also establish a set of government accounting standards which is separated from budgeting. The research result can be extended to other countries/regions which are at the starting phase of standards setting, especially to those which are small size economy, adopt code law and non- English speaking countries or regions.

Field of Research : Accounting

JEL Codes: M41 and M48

Keywords: International Financial Reporting Standards, accounting standards of Macau, non-government organizations, public sector accounting standards, fair value accounting.

1. Introduction

Accounting standards can help standardize accounting and reporting and to enhance the understandability, relevance, reliability and comparability of financial statements information. The setting up and enforcement of accounting standards facilitate fair competition, and thus expedite efficient operation of the market, and push forward the economic growth of the society.

The International Financial Reporting Standards (IFRS) have been widely adopted around the world. The standard setting body of IFRS is the International Accounting Standards Board (IASB). Up to 2010, there are over 100 countries which have adopted IFRS. Among those countries, some are developed economies such as

*Dr. Ratnam Alagiah, University of South Australia, Australia. Email: Ratnam.Alagiah@unisa.edu.au

**Miss Tan Cheng Lok, University of South Australia, Australia. Email: slokrga@macau.ctm.net

Alagiah & Lok

Australia and European Union, while others are developing economies such as China. Some economies use a one-off full adoption approach such as members of the European Union, while some use a step-by-step partial adoption approach such as China. IFRS is in the form of standards rather than laws and thus it is flexible for amendment. IFRS is published in English but IASB also allows non-English speaking countries to translate IFRS into other language upon permission.

It is relatively late for Macau to develop its own financial reporting standards. In this paper, the authors study the current development of financial reporting standards for commercial enterprises, government and private not-for-profit organizations in Macau and provide some recommendations for improvements. The authors also identify some major challenges of fully adopting IFRS in Macau. The authors hope that the research result of this paper can be useful to other countries/regions which are seeking to adopt IFRS as well, especially those of small size economy, bilingual non-English speaking and code-law countries.

This research is different from the other recent studies on the challenges of adopting IFRS because it is one of the few studies to study the development of accounting standards in Macau. Other researchers also study the impact of adopting IFRS in other regions, for example, Jain (2011)'s research in Indian, Jaruga, Fijalkowska, Jaruga-Baranowska & Frenzel (2007) in Poland, Jermakowicz (2004) in Belgium, Paananen & Lin (2009) in Germany, and Peng & Bewley (2010) in China. However, unlike other researches on similar topic which mostly take the quantitative approach and focus on the commercial sector, the authors investigate the research problems from the qualitative perspective. It is also one of the few researches which takes into account the design of financial reporting standards in all three areas of the same region, namely the commercial sector, the government and the not-for-profit organizations, which makes this study more comprehensive.

Research findings are in line with previous research. Major challenges of IFRS implementation identified in this research are in compliance with Bruggemann, Hitz & Sellhorn (2012), Jain (2011), Larson & Street (2004), Stittle (2004), Dean & Clarke (2005) and Tyrrall, Woodward & Rakhimbekova (2007). However, the authors investigate the research questions from a qualitative perspective and take into account all three levels, the private sector, the government and the NFP. Some of the issues faced in EU, Indian and Australia, such as the adoption of code law in some EU countries, and bilingual with English not being an official language are the same in Macau. But Macau also has its own problems such as lacking stock market and with an economy mostly made up of small sized enterprises, which lead to different issues compared with other researches. The development of accounting standards at the government level in Macau as discussed in this paper is in line with Jones (2012) and Barton (2011).

This paper contains seven parts. Part I is an introduction of the background of the research. Part II is a literature review relating to the challenges of adopting IFRS in other regions. Part III describes the research methodology used. In part IV of this paper, the authors introduce the development of financial reporting standards in Macau. Research findings are discussed in part V, including a detailed analysis of the major challenges of adopting IFRS in Macau and some recommendations for future improvement. Finally a conclusion is provided in part VI and the limitation of this research is identified.

2. Literature Review

The study of Bruggemann, Hitz & Sellhorn (2012) conducted in EU inspired the authors to study the intended and unintended consequences of mandatory IFRS adoption. Larson & Street (2004) and Stittle (2004) studied the obstacles of convergence with IFRS in Europe and concluded that the two most significant barriers to convergence appear to be the complicated nature of particular IFRS (for example, IAS39 on financial instruments) and the tax-orientation of many national accounting systems. Other barriers to convergence include underdeveloped national capital markets, insufficient guidance on first-time adoption of IFRS, and limited experience with certain types of transactions (for example, pensions). Previous studies by Dean & Clarke (2005), Spengel (2003), Larson & Street (2004), Joshi & Ramadhan (2002) investigated the major challenges of adopting IFRS. Factors such as the economic structure, legal system and performance measurement have been found to affect the effectiveness of adopting IFRS. Dean and Clarke's study (2005) concluded that legal system also affects the adoption of IFRS. It is harder for regions which adopt code law to fully comply with IFRS. According to Larson & Street (2004) and Tyrrall, Woodward & Rakhimbekova (2007), competence of local professional may also be a barrier to full adoption of IFRS. Chand & White (2007) found that convergence of local accounting standards to IFRS tends to facilitate expansion of large international accounting firms at the expense of public interest. Barth, Lansman & Lang (2008) studied the financial data of firms from 21 countries to see whether implementation of IFRS enhances quality of accounting information and found that firms adopting IFRS have higher relevance in their accounting information and are less likely to subject to earnings management.

Other researchers have studied on the impact of implementing IFRS in other regions. Many of these studies were carried out in EU countries. Paananen & Lin (2009) researched on the adoption of IFRS in the private sector in Germany and concluded that accounting information quality has worsened with the adoption of IFRS over time. Ballas, Skoutela & Tzovas (2010) studied the relevance of IFRS in Greece at the firm level using and the participants believed that although IFRS may not suit the economic environment of Greece, implementation of IFRS may enhance accounting information quality. Other previous researches on the impact of IFRS adoption include Jaruga, Fijalkowska, Jaruga-Baranowska & Frenzel (2007) in Poland and Jermakowicz (2004) in Belgium. There are relatively fewer researchers conducted in developing economies. Jain (2011) discussed the IFRS adoption procedures in India and identified some pros and cons of implementing IFRS. Major challenges encountered include lack of awareness and training of IFRS among stakeholders, the need to amend existing laws and the adoption of fair value measurement base. Peng & Bewley (2010) investigated the impact of IFRS convergence in China, again in the private sector and found a high degree of adoption of IFRS fair value measurement base on financial instruments but not on other non-financial long time asset investments. Research results indicate that China's "substantial convergent" with IFRS still has long way to go.

Most of the other researches on the impact of IFRS implementation were conducted in the private sector of a single region. Pilche, Gilchris and Evans (2011) studied the development of accounting standards for all three sectors, namely commercial enterprises, government and not-for-profit organizations in Australia. Australia has adopted a two tier system of accounting standards, namely full adoption of IFRS and

Alagiah & Lok

the reduced disclosure regime (which is not the same as the IFRSs for small-medium-enterprises issued by IASB).

It is worth mentioning that the IFRSs are only financial reporting standards and not comprehensive accounting standards. They do not address management accounting and government budgeting.

Jones (2012) and Barton (2011) studied the development of government accounting standards in the past 25 years. National government accounting systems mostly adopted cash-based budgetary accounting systems in the past but in the past 25 years, some national governments such as the United States and New Zealand have adopted some form of accrual based accounting, usually started with lower-level governments. Some countries such as US and many continental European countries have adopted accrual accounting but retained their case based budgetary accounting systems, while others such as Australia, New Zealand and the United Kingdom have adopted accrual accounting and also accrual budgeting. Governments should weigh the advantages and disadvantages of adopting IFRS to assess the relevance of IFRS to national needs.

The International Federation of Accountants (IFAC) prepares and publishes International Public Sector Accounting Standards (IPSAS). According to the IFAC, IPSAS are “for use by public sector entities around the world in the preparation of general purpose financial statements”. “Public sector” refers to national governments, regional governments, local governments and related governmental entities. IPSAS are a set of accrual based accounting policies but there is one standard for cash based accounting. Developed from IAS, IPSAS only address financial reporting but not budgeting.

3. Research Methodology

This paper is a qualitative case study. A descriptive approach is used to study the evolution of the financial reporting standards in Macau since 1978 to present. Most of the previous researches were conducted in EU countries. The authors choose Macau to conduct the research in view of the unique characteristics of Macau. Macau adopts code law, it is bilingual with Chinese and Portuguese being the official languages, the local economy is mostly (99%) made up of small sized enterprises, there is no stock market yet Macau attracts massive foreign capital because of its fast growing gaming and related industry. The year 1978 is chosen because in 1978, Macau has undergone a major revolution in its tax system. Many of the tax laws that we are using today were released in 1978. Year 1978 was a milestone in the development of financial reporting standards in Macau because it was the first time for Macau to require certain classes of taxpayers to have a complete set of books and the tax laws had provided some guidance on financial reporting.

Data are collected from previous and current financial reporting standards and relevant laws and other literatures for commercial enterprises, government and private not-for-profit organizations. Observational study and explanatory factor analysis have been used to analyze the current financial reporting standards and identify major challenges of adopting IFRS in Macau.

Alagiah & Lok

The study of Bruggemann, Hitz & Sellhorn (2012) inspired the authors to study the intended and unintended consequences of mandatory IFRS adoption. Considering most of the other studies on the effect of adopting IFRS are quantitative and focus on the commercial sector, the authors have designed this research from a qualitative perspective. Also because there is no stock market in Macau, it is not easy to obtain earnings information from public sources, making quantitative research on value relevance of mandatory full adoption of IFRS such as Paananen & Lin (2009) quite hard to be conducted in Macau. The design of this research is comparable with Jain (2011)'s research in India, however, in order to study the impact of adopting IFRS in a single region in a more comprehensive way, the authors cover all three areas in Macau, namely the commercial sector, the government and the not-for-private organizations. In this respect, design of this research is also similar with that conducted by Pilche, Gilchris and Evans (2011) in Australia.

4. Development of Financial Reporting Standards in Macau

4.1 Financial Reporting Standards for Commercial Enterprises:

For Macau, it is comparatively late to begin the development of accounting standards for commercial enterprises. In 1978, the then Macau government released a series of tax laws which are still used today, including the Industrial Tax, the Professional Tax and the Corporate Income Tax Laws. It was the first time for Macau to require certain taxpayers to prepare full sets of accounts for tax purpose. At that time, the idea of separating financial reporting from tax filing had not been built up yet. It took another five years for Macau to have its separated accounting standards. The earliest accounting standards setting can be traced back to 1983, when Macau released its first set of accounting standards - the Official Plan of Accountancy (POC). Adapted from the Portuguese Official Plan of Accountancy, POC applied to all business entities which were required by tax law to prepare full sets of accounting records (to be specific, the Income Tax Group A tax payers) with the exception of banking and insurance institutions. However, POC merely provided the format of financial statements, a chart of accounts, disclosure requirements and some very simple guidance on certain accounting treatments for inventory valuation. Since then, other than POC, there were only a few accounting and reporting principles scattering in the Commercial Code, the Income Tax Law and other specific laws for certain specific industries. It is obvious that in the early days, accounting standards setting mostly served tax purpose, and a systematic set of accounting standards was lacking.

Since Macau was handed over from Portugal to China in 1999, and the liberalization of the gaming industry in 2004, there was an economic boom in Macau. In view of the rapid growth of the global trade and the increasing flow of international capital, the Macau government has issued its own accounting standards in 2005.

The issuing body of the Macau Accounting Standards is the Finance Bureau of the Macau government. The new standards were effective from 31st December 2005, with one year transition period.

The principles of Macau Accounting Standards are similar with those of IFRS. The Macau Accounting Standards are made up of the General Financial Reporting Standards and the Financial Reporting Standards. General Financial Reporting

Alagiah & Lok

Standards are “small GAAP” for small to medium sized entities, while Financial Reporting Standards are for larger entities. Financial Reporting Standards contain 16 IFRS/IAS core standards. Entities which are not required by law to prepare proper accounting records are not bound by the accounting standards.

The 2004 version of IFRS has been adopted due to the time delay of translated Chinese and Portuguese versions.

It was stated in decree-law 25/2005 that the standards will be subject to review after two years since mandatory enactment. As of September 2012, the standards are currently under review but not yet amended.

4.2 Financial Reporting Standards for Government :

In Macau, Announcement of Chief Executive No. 6/2006 Public Finance Administration System Article 10 requires government departments to prepare their budgets using cash basis accounting, with the exception of six government departments. According to Article 70, there are six government departments which are required to use accrual basis accounting. The Chief Executive will set the time schedule requesting those six departments to adopt Financial Reporting Standards. Before that, those departments should adopt accounting standards set on their own. For the other government departments which are required to adopt cash basis accounting, they should refer to decree-law 41/83/M and also the Announcement of Secretary of Economy and Finance No.66/2006 for the accounting requirements. Macau has not yet built up a systematic set of government accounting standards.

4.3 Financial Reporting Standards for Private Not-for-Profit Organizations:

Macau has not yet established a set of financial reporting standards for private not-for-profit organizations (NFP). However, those organizations are required to follow the guidelines set out by some government departments such as the Macau Foundation if they apply for funding from those departments. It is worth mentioning that those guidelines are mostly for the purpose of filling in the annual reports to be submitted to the fund providers instead of a set of financial reporting standards. The only existing standards which are close to a set of financial reporting standards for private NFP is Decree-Law 63/93/M which authorizes the accounting for private not-for-profit schools.

5. Research Finding

5.1 Establishing a System of Accounting Standards in Macau:

The current Macau Accounting Standards only target on commercial enterprises. However, a complete set of accounting should be more comprehensive and should take into account of government and private not-for-private entities as well. Obviously there is much room for improvement of the existing accounting standards system of Macau.

Considering that there are more than 5,000 private not-for-profit organizations in Macau and many of them receive large amounts of funds and sponsorship from the government every year, there is an urgent need for Macau to set out a set of

Alagiah & Lok

accounting standards for private NFP. The establishment of financial reporting standards also provides ground for future auditing those private NFP receiving large amounts of sponsorship from the government, which is crucial for monitoring the use of public resources.

In view of the fact that the primary purpose of financial reporting for private NFP is performance evaluation, which is totally different from that of commercial sector, the authors suggest that Macau should establish a separate set of financial reporting standards for private NFP. Also it is worth noticing that many of those private NFP are small in size and it is sometimes hard for them to hire competent accountants. Therefore requiring local private NFP to fully adopt IFRSs may be impractical. Finally, the use of fair value accounting by IFRSs may be inappropriate for performance evaluation of private NFP since it may make it harder for the fund providers to trace the use of the public resource. Historical cost accounting may serve better in this respect. In view of the above mentioned factors, the authors suggest that there is an urgent need for Macau to establish a separate set of financial reporting standards for private NFP which is simple to apply and based on historical cost accounting.

For the government sector, currently there is a lack of a single set of accounting standards for the government sector. For budgeting, the authors observe that currently most government departments are still using cash basis budgeting. There are six departments which are using accrual basis budgeting set out by those departments. Also those six departments should adopt Macau Accounting Standards but the time of implementation has not yet been announced by the Chief Executive. So the effect of asking government departments to adopt (partially adopt) IFRSs is in question. More research in this area is needed. The authors observe that currently Macau has not yet built up a clear system of separating government accounting from budgeting. In the long run, the authors propose that there is a need to establish a separate set of government accounting standards.

For the existing Macau Accounting Standards of the commercial sector, currently it is only a partial adoption of IFRSs. As of September 2012, there are currently 8 IFRSs and 29 IASs, as well as 27 interpretations in effect (excluding those standards and interpretations which will be effective in 2013 IFRSs and or afterwards). Compared with the “Big GAAP” of Macau, there IASs not yet adopted. However, in view of the close economic relationship among China, Taiwan, Hong Kong and Macau, convergence of the accounting standards in those regions facilitates business cooperation and is crucial to the sustainable development of the Macau economy. Hong Kong has fully adopted IFRSs for public companies starting from 2005. Accounting standards in China is substantially convergent to the IFRSs and the Hong Kong accounting standards. Taiwan will fully adopt IFRSs for public companies starting from 2013. In view of this, the authors propose full adoption of IFRSs by entities with public accountability in Macau, while keeping the existing simplified version (which is mostly based on historical cost accounting) for small-medium sized enterprises. The major challenges of full adoption of IFRS in Macau will be further discussed below.

5.2 Major Challenges of Fully Adopting IFRS in Macau

5.2.1 Product Convergence Issue: Partial Adoption vs Full Adoption?

Product convergence refers to the convergence of the content of each Macau standard with the equivalent IFRS. Currently Macau has only partially adopted IFRS. The authors propose that for those entities which are required to adopt the big GAAP, full adoption of IFRS instead of the current practice of partial adoption should be implemented. This may reduce confusion of foreign investors about financial reporting requirements of Macau and enhance comparability of financial statements prepared under Macau standards with those prepared under international standards. Considering the rapid increase in foreign capital inflow into Macau economy, and the great success of the local gaming industry which also attract attention to some of those gaming companies which are listed in Hong Kong, the authors believe that full adoption of IFRSs is a critical success factor to the long-term sustainable development of Macau economy.

There are some critics arguing that full adoption may be too costly (Tyrrall, Woodward & Rakhimbekova 2007) (Larson & Street 2004) (Stittle 2004). But most of those entities are banks and insurance companies, or other entities of public interest. Many of those entities which are required to adopt big GAAP, currently are already using full version of IFRSs as per request of stakeholders, even though not required by Macau standards yet. Most of those entities already hire big four international accounting firms as their auditors. The authors believe that full adoption of IFRSs will not cause too much turbulence to those entities.

However, the authors do recommend that full adoption of IFRSs should not be imposed on small and medium sized entities. The current small GAAP should be maintained and subject to review for every three years. This is because the Macau economy is mostly made up of small and medium sized entities, full adoption of IFRSs will indeed be costly to those entities. Also there is no stock market in Macau, and compulsory requiring small to medium size enterprises to fully adopt IFRSs may exceed the needs of the stakeholders of those entities.

5.2.2 Process Convergence Issue: Time lag of translated version of IFRSs and code law

Process Convergence relates to the need to align the timing of issuing Exposure Drafts, Standards and Interpretations in Macau as closely as possible with the timing of issuing Exposure Drafts, Standards and Interpretations by the IASB. In Macau, the official languages are Chinese and Portuguese. However, IFRSs are issued in English. Although there are translated versions in Chinese and Portuguese, the translated versions often lag behind significantly. As of December 20, 2011, the 2010 Chinese version and the 2006 Portuguese version of IAS have been released (IASB). On average, the Chinese version lags behind by 1 year only, while the Portuguese version can lag behind by over 5 years! Because Macau is a code law region, accounting standards are issued in the form of decree-law. Therefore, it is necessary to wait for the translation for the availability of the Chinese and Portuguese official versions before the standards can be amended. The whole process may take at least two years. In addition, IFRS are amended frequently. By the time that the amended version is passed in Macau, it would differ from the latest

Alagiah & Lok

version of IFRS. The authors propose that this limitation cannot be overcome unless either IASB speeds up the translation process, or IASB recognizes the “unofficial” EU version, or Macau outsources the Portuguese translation.

5.2.3 Lack of Valuers

Another limitation factor of adopting IFRSs in Macau is the lack of valuers. IFRSs require the use of fair value accounting in certain assets valuation. As SFAS 157 states, there are three levels of fair value measurements. It is level III which is most problematic and often involves lots of professional judgment and estimates. However, in Macau there is no such professional qualification as valuers. There is not enough training in how to assess fair value in the industry and tertiary education institutions. Thus the authors believe that it is an area in which local professional bodies and universities need to provide more training in valuation.

5.2.4 Lack of Representation in IASB

Macau currently is not yet a member of IASB. Macau has been at the frontier in terms of its revenues from gaming industry since 2004. It is also a bilingual region (official languages are Chinese and Portuguese) and adopts code law, therefore accounting standards must be issued in the form of decree law and thus must be in both official languages. The need for official translated versions in two languages is quite unique around the world. In view of these, the authors propose that the lack of representation in IASB is another barrier of adopting IFRS in Macau, since IASB may not fully understand the difficulties faced by Macau.

In summary, the research findings are in line with previous studies. The major challenges of implementing IFRS identified in this research are in compliance with the research results of Bruggemann, Hitz & Sellhorn (2012), Jain (2011), Larson & Street (2004), Stittle (2004), Dean & Clarke (2005) and Tyrrell, Woodward & Rakhimbekova (2007). The development of accounting standards at the government level in Macau as discussed in this paper is in line with Jones (2012) and Barton (2011).

6. Conclusion

In this paper, the authors study the development of accounting standards in Macau, identify some major challenges of adopting IFRS in Macau and provide some recommendation for future amendments. The authors propose that Macau should establish a system of accounting standards which fully considers commercial sector, government and private not-for-profit organizations rather than only focusing on commercial sector. At the commercial sector level, the authors further suggest that for entities with public accountability, full adoption of IFRS should be applied, while for small size entities, the current simplified version (“small GAAP”) should be kept. Adopting code law, with official languages other than English and the lack of qualified valuers are some major challenges of fully adopting IFRS in Macau. At the government and the private not-for-profit organizations levels, there is a need to establish a separate set of accounting standards which may be different from the full IFRS. Research findings are in line with previous studies. Research results can be extended to other countries/regions which are facing first time adoption of IFRS issues, especially to those which are small size economy, adopt code law or with

official language(s) other than English.

This research is a qualitative analytical study on the challenges of adopting IFRS in Macau, which is based on secondary data. For future research purpose, primary data can be collected through questionnaires and/or semi-structured interviews with target participants in all three sectors, namely the commercial sector, the government and the private not-for-profit organizations to further study the research questions.

Acknowledgement

I am sincerely grateful to Dr. Ratnam Alagiah, the co-author of this paper for his precious ideas and comments on the research. Dr. Alagiah was a wonderful teacher and his pass away in January 2013 is a loss to the accounting education profession.

References

- Ballas, A, Skoutela, D, & Tzovas, C 2010, 'The relevance of IFRS to an emerging market: evidence from Greece', *Managerial Finance*, vol.36, issue 11, pp.931-948.
- Barth, Mary E, Landsman W & Lang, M 2008, 'International Accounting Standards and Accounting Quality', *Journal of Accounting Research*, vol. 46, issue 3, pp. 467-498.
- Barton, AD 2011, 'Why governments should use the government finance statistics accounting system', *Abacus*, vol. 47, no. 4, pp. 411-445.
- Bruggemann, U, Hitz, J & Sellhorn, T 2012, 'Intended and Unintended Consequences of Mandatory IFRS Adoption: A Review of Extant Evidence and Suggestions for Future Research', *European Accounting Review*.
- Chand, P & White, M 2007, 'A critique of the influence of globalization and convergence of accounting standards in Fiji', *Critical Perspective on Accounting*, vol.18, issue 5, pp.605-622.
- Dean, G & Clarke, F 2005, 'True and fair and "fair value" – accounting and legal will-o'-the-wisps', *Abacus*, vol. 41, no. 2, pp.1-8.
- Financial Accounting Standards Board 2007, Statement of Financial Accounting Standards 157: Fair Value Measurement, Financial Accounting Standards Board, the United States.
- International Accounting Standards Board, International Financial Reporting Standards, International Accounting Standards Board, London.
- Jain, Pawan 2011, 'IFRS Implementation in India: Opportunities and Challenges', *World Journal of Social Science*, vol.1, no.1, pp.125-136.
- Jaruga, Alicja, Fijalkowska Justyna, Jaruga-Baranowska, Malgorzata and Frenzel, Maciej 2007, 'The Impact of IAS/IFRS on Polish Accounting Regulations and their Practical Implementation in Poland', *Accounting in Europe*, vol 4, issue 1, pp.67-78.
- Jermakowicz, EK 2004, 'Effects of Adoption of International Financial Reporting Standards in Belgium: The Evidence from BEL-20 Companies', *Accounting in Europe*, vol.1, issue 1, pp.51-70.
- Jones, R 2012, 'International public sector accounting standards (IPSAS) and national government accounting in the EU', Presentation in the EU-Macau Co-operation Programme 2010-12.

Alagiah & Lok

- Joshi, PL & Ramadhan, S 2002, 'The adoption of international accounting standards by small and closely held companies: Evidence from Bahrain', *The International Journal of Accounting*, vol. 37, no. 4, pp. 429-440.
- Larson, RK & Street, DL 2004, 'Convergence with IFRS in an expanding Europe: progress and obstacles identified by large accounting firms' survey', *Journal of International Accounting, Auditing and Taxation*, vol. 13, no. 2, pp. 89-119.
- Macau Government 1978, Decree-law 21/78/M, Macau Government, Macau.
- Macau Government 1983, Decree-law 34/83/M, Macau Government, Macau.
- Macau Government 1999, Decree-law 40/99/M and appendix, Macau Government, Macau.
- Macau Government 2000, Decree-law 6/2000, Macau Government, Macau.
- Macau Government 2005, Decree-law 25/2005 and appendixes, Macau Government, Macau.
- Paanane, Mari & Lin, Henghsui 2009, 'The Development of Accounting Quality of IAS and IFRS over Time: The Case of Germany', *Journal of International Accounting Research*, vol.8, no.1, pp.31-55.
- Peng, S & Bewley, K 2010, 'Adaptability to fair value accounting in an emerging economy: A case study of China's IFRS convergence', *Accounting, Auditing & Accountability Journal*, vol. 23, issue 8, pp.982-1011.
- Pilche, R, Gilchris, D & Evans, J 2011, 'An In-depth analysis of the reduced disclosure reporting regime in the Australian public sector', *China-Australia International Conference on Accounting and Finance*, pp.10-37.
- Spengel, C 2003, 'International Accounting Standards tax accounting and effective levels of company tax burdens in the European Union', *European Taxation*, vol.2, pp. 253-266.
- Stittle, J 2004, 'The reformation of European corporate reporting: Towards a model of convergence or confusion?', *European Business Review*, vol. 16, no. 2, pp. 139-151.
- Tyrrall, D, Woodward, D & Rakhimbekova, A 2007, 'The relevance of International Financial Reporting Standards to a developing country: Evidence from Kazakhstan', *The International Journal of Accounting* 42, pp.82-110.