

A SURVEY OF ACCOUNTING EDUCATORS REGARDING CONVERGENCE OF FINANCIAL REPORTING STANDARDS

ABSTRACT

Generally accepted accounting principles (GAAP) and international financial reporting standards (IFRS) are becoming more and more similar. Though their sources are different and though GAAP has the force of the authority in the United States, the two sets of standards are reaching a greater level of convergence. In some cases, GAAP has been altered in order to align with the position of IFRS. Similarly, some IFRS have been altered in order to converge with GAAP. The motivation for these changes is to improve financial reporting standards across political borders by creating a common set of standards. In the process, global markets will benefit from having standards that are comparable worldwide. The purpose of this paper is to summarize the progress made toward convergence and report the results of a survey of accounting educators regarding their opinions of the current progress and future potential for convergence of financial accounting standards.