

THE PREPARATIONS OF ACCOUNTANTS BEFORE THE APPLICATION OF FINANCIAL REPORTING STANDARDS (Sample of Kocaeli Province)

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Problem Statement

The need to apply International Financial Reporting Standards (IFRS) aroused as a continuation of the movement which began to increase the reliability of financial charts and enable these charts to be transparent, accurate and comprehensible all over the world in order to resolve the worldwide economic crisis at the beginning of the century. In this connection, it firstly started to be applied in publicly traded companies, number of which is about a thousand since 2008. According to the new provisions of Turkish Trade Law, in effect in 2012, IFRS application is planned to be applied in Small and Medium Sized Enterprises (SMSE) by 2013.

Aim

The aim of this study is to determine the opinions of public accountants (SMMM) in Kocaeli province regarding the training studies before IFRS application. The research aims to find out the opinions of the accountants about how they get prepared for the things they need to know during the application of financial reporting standards and their level of satisfaction related to preparations.

Aim

The following questions were asked in the study:

1. Do the accountants' opinions regarding the preparations of application of financing reporting standards differ according to the education level?
2. Do the accountants' opinions regarding the preparations of application of financing reporting standards differ according to the length of service?
3. Do the accountants' opinions regarding the preparations of application of financing reporting standards differ according to age?
4. Do the accountants' opinions regarding the preparations of application of financing reporting standards differ according to staff number?
5. Do the accountants' opinions regarding the preparations of application of financing reporting standards differ according to gender?

Method

Relational survey method, one of the descriptive survey models, has been chosen as the study aims to determine the accountants' views.

Universe and Sample

The universe of the research included all members of the Chambers of Accountants (SMM, SMMM and YMM) in Kocaeli area (1.050), and the sample of the study included 197 volunteer accountants among the universe of this study.

Table 1: Frequency and Percentage of Accountants according to Education Level, Length of Service, Age, Number of Employees and Gender

	Frequency	Percentage
Education level		
High School	19	9.6
Associate	12	6.1
Undergraduate	136	69.0
Graduate	30	15.2
Length of service		
1-5	56	28.4
6-10	38	19.3
11-20	43	21.8
21-30	42	21.3
31 +	18	9.1
Age		
21-25	11	5.6
26-30	29	14.7
31-40	60	30.5
41-50	60	30.5
51 +	37	18.8
Number of employees		
Non-employees	52	26.4
1-3	114	57.9
4 +	31	15.7
Gender		
Women	42	21.3
Men	155	78.7
Total	197	100.0

Data Collection

Data was collected through a survey, aiming at determining the accountants' opinions regarding the preparations of application of financing reporting standards, and developed by the researcher, called as "Accountant Opinions regarding the Preparations of the Application of Financial Reporting Standards".

Data Collection

The survey consists of three sections. In the first section, there are questions about descriptive information regarding education level, vocational length of service, age, staff employment, gender; in the second section, accounting package program, whether they use ERP or not, whether they want to change the program they have been using; in the third section, satisfaction with the program, the benefit it provides, training workshops participated, firm/company owners or directors' knowledge about IFRS, whether additional and informed staff are required, whether the application will increase the accounting cost or not.

Data Collection

Given answers for the questions in these sections are designated from 1 through 5, where a score of “1” indicates, “Completely disagree”; “2”, “Disagree”; “3”, “Neutral/ No opinion”; “4”, “Agree”; and “5”, “Completely agree”. Through the assumption that all scores are of equal weights, the distribution of mean score interval calculation required subtracting individual Likert score value from the highest Likert score value and dividing the resultant by five. $(5-1)/5=4/5=0,80$.

Table 2: Evaluation Intervals of Scores by the Survey

1.00	1.80	Completely disagree
1.81	2.60	Disagree
2.61	3.40	Neutral/ No opinion
3.41	4.20	Agree
4.21	5.00	Completely agree

Data Analysis

To analyze the data from the study, descriptive statistics were used; frequency (f), percentage (%) and arithmetic average () of the responses of the accountants were calculated to find out the distribution of their opinions. To further analyze the views of the accountants' regarding financial reporting standards application preparations; Independent Sample T Test was used in order to determine whether there was a difference according to gender; and One way ANOVA was used in accordance with the factors such as age, education, working year and staff number.

FINDINGS

There are differences between the groups' levels of benefiting from accounting package programs and ERP programs, their demand levels to change the program being used, and total score levels of the groups.

1. Findings regarding whether the accountants' opinions on the preparations of application of financing reporting standards change according to their education level or not

Table 3: Mean and standard deviation values on the accountants' education levels

Groups	N	\bar{X}	Ss	Sh
Benefiting levels from package programs				
High School	19	1.000	.000	.000
Associate	12	1.167	.389	.112
Undergraduate	136	1.015	.121	.010
Graduate	30	1.067	.254	.046
Total	197	1.031	.172	.012
Benefiting levels from ERP programs				
High School	19	1.842	.375	.086
Associate	12	1.917	.289	.083
Undergraduate	136	1.853	.356	.031
Graduate	30	1.567	.504	.092
Total	197	1.812	.392	.026
Demand levels to change the program being used				
High School	19	2.737	.562	.129
Associate	12	2.417	.793	.229
Undergraduate	136	2.603	.681	.058
Graduate	30	2.567	.774	.141
Total	197	2.599	.690	.049
Total score levels of groups				
High School	19	28.263	4.094	.939
Associate	12	27.750	4.267	1.232
Undergraduate	136	29.029	3.205	.282
Graduate	30	28.200	4.094	.939
Total	197	28.812	3.812	.098

FINDINGS

1. Findings regarding whether the accountants' opinions on the preparations of application of financing reporting standards change according to their education level or not

So as to determine whether these differences are meaningful or not, One way ANOVA analysis results are illustrated in Table 4.

Table 4: ANOVA results according to education levels

Source of Variance	Sum of Squares	df	Mean Square	F	P
Levels of benefiting from package programs					
Between groups	.31	3	.104	3.66	.013
Within groups	5.50	193	.029		
Total	5.82	196			
Levels of benefiting from ERP programs					
Between groups	2.18	3	.727	5.038	.002
Within groups	27.87	193	.144		
Total	30.05	196			
Demand levels to change the program being used					
Between groups	.79	3	.264	.552	.648
Within groups	92.53	193	.479		
Total	93.32	196			
Total score levels of groups					
Between groups	36.20	3	12.065	1.002	.393
Within groups	2324.62	193	12.045		
Total	2360.81	196			

FINDINGS

1. Findings regarding whether the accountants' opinions on the preparations of application of financing reporting standards change according to their education level or not

According to the data in Table 4, whereas the accountants' "Levels of benefiting from accounting package programs for accounting transactions" ($F=5.038$, $p<.05$) and "Levels of benefiting from ERP programs for accounting transactions" ($F=.552$, $p>.05$) are significantly different according to their education levels, "Demand levels to change the program being used" ($F= .552$, $p> .05$) and "Groups' total score levels" ($F= 1.002$, $p> .05$) are not significantly different according to their education levels.

FINDINGS

1. Findings regarding whether the accountants' opinions on the preparations of application of financing reporting standards change according to their education level or not

The results of Tukey test, aiming to determine the education level intervals of the differences seen, are illustrated in Table 5.

Table 5: Tukey test results based on education levels

(I) Level	(J) Level	Mean Difference (I-J)	Standard Error	Sigma
Levels of benefiting from package programs				
High School	Associate	.16667(*)	.062	.040
	Undergraduate	-.01471	.041	.985
	Graduate	-.06667	.050	.535
Associate	High School	.16667(*)	.062	.040
	Undergraduate	.15196(*)	.051	.017
	Graduate	.10000	.058	.309
Undergraduate	High School	.01471	.041	.985
	Associate	-.15196(*)	.051	.017
	Graduate	-.05196	.034	.424
Graduate	High School	.06667	.050	.535
	Associate	-.10000	.058	.309
	Undergraduate	.05196	.034	.424
Levels of benefiting from ERP programs				
High School	Associate	-.07456	.140	.951
	Undergraduate	-.01084	.093	.999
	Graduate	.27544	.111	.068
Associate	High School	.07456	.140	.951
	Undergraduate	.06373	.114	.945
	Graduate	.35000(*)	.130	.038
Undergraduate	High School	.01084	.093	.999
	Associate	-.06373	.114	.945
	Graduate	.28627(*)	.077	.001
Graduate	High School	-.27544	.111	.068
	Associate	-.35000(*)	.130	.038
	Undergraduate	-.28627(*)	.077	.001

*Mean difference is significantly at 0.05 level.

FINDINGS

1. Findings regarding whether the accountants' opinions on the preparations of application of financing reporting standards change according to their education level or not

Based on the values on the significance column in Table 5;

1. It can be said that the difference between accountants having associate degrees and high school, undergraduate degrees is significant statistically in respect of “levels of benefiting from accounting package programs in accounting transactions”.
2. It can be said that the difference between accountants having graduate degrees and associate, undergraduate degrees is significant statistically in respect of “levels of benefiting from ERP programs”.

FINDINGS

1. Findings regarding whether the accountants' opinions on the preparations of application of financing reporting standards change according to their education level or not

Based on these findings, it can be said that accountants with associate degrees are at a higher level than high school and undergraduate degrees in respect of “levels of benefiting from accounting package programs in accounting transactions”, and graduate degrees are at a lower level than high school and undergraduate degrees in respect of “levels of benefiting from ERP”.

FINDINGS

2. The findings related to whether the opinions of accountants about the applications of financial reporting standards and their preparatory work change according to work experience

The groups' levels related to the use of package and ERP programs in accounting, their wish to change the program used and the averages and standard deviations related to their total scores are shown in Table 6.

Table 6: Averages and standard deviation levels of accountants according to their work experience

Groups	N	\bar{X}	Ss	Sh
Levels of benefiting from package programs				
1-5	56	1.018	.134	.018
6-10	38	1.000	.000	.000
11-20	43	1.047	.213	.032
21-30	42	1.048	.216	.033
30-...	18	1.056	.236	.056
Total	197	1.031	.172	.012
Levels of benefiting from ERP programs				
1-5	56	1.804	.401	.054
6-10	38	1.816	.393	.064
11-20	43	1.744	.441	.067
21-30	42	1.881	.328	.051
30-...	18	1.833	.384	.090
Total	197	1.812	.392	.028
Demand levels to change the program being used				
1-5	56	2.464	.808	.108
6-10	38	2.447	.760	.123
11-20	43	2.767	.611	.093
21-30	42	2.667	.526	.081
30-...	18	2.778	.548	.129
Total	197	2.599	.690	.049
Total score levels of groups				
1-5	56	28.286	3.798	.508
6-10	38	28.684	3.394	.551
11-20	43	29.581	3.001	.458
21-30	42	28.809	3.487	.538
30-...	18	28.222	3.574	.842
Total	197	28.751	3.471	.247

FINDINGS

2. The findings related to whether the opinions of accountants about the applications of financial reporting standards and their preparatory work change according to work experience

According to Table 6, there are differences according to the groups' use of "package programs in accounting", "ERP Programs", "their wishes to change the programs they are using" and "their total scores".

FINDINGS

2. The findings related to whether the opinions of accountants about the applications of financial reporting standards and their preparatory work change according to work experience

One-Way ANOVA results related to whether these differences are meaningful or not are shown in Table 7.

Table 7: ANOVA results according to their work experience

Source of Variance	Sum of Squares	df	Mean Square	F	P
Levels of benefiting from package programs					
Between groups	.079	4	.020	.660	.620
Within groups	5.738	192	.030		
Total	5.817	196			
Levels of benefiting from ERP programs					
Between groups	.410	4	.103	.664	.618
Within groups	29.641	192	.154		
Total	30.051	196			
Demand levels to change the program being used					
Between groups	3.878	4	.969	2.081	.085
Within groups	89.442	192	.466		
Total	93.320	196			
Total score levels of groups					
Between groups	47.121	4	11.780	.978	.421
Within groups	2313.692	192	12.050		
Total	2360.812	196			

FINDINGS

2. The findings related to whether the opinions of accountants about the applications of financial reporting standards and their preparatory work change according to work experience

- According to Table 7, there is not a meaningful difference between the accountants' "levels of use of accounting package programs in accounting" ($F=.660.....$), "levels of ERP programs in accounting" ($F=.664...$), "wishes to change the programs used" ($F=2.081...$) and their total scores according to their work experience.
- In the light of these findings, it is possible to say that there is not a meaningful difference between the work experience of accountants and their opinions related to the preparatory work about the application of financial reporting standards.

FINDINGS

3. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to age

The averages and standard deviations of groups' levels of benefiting from package programs and ERP programs and their wishes to change the programs used are shown in Table 8.

Table 8: Accountants' averages and standard deviations according to ages

Groups	N	\bar{X}	Ss	Sh
Levels of benefiting from package programs				
21-25	11	1.000	.000	.000
26-30	29	1.035	.186	.035
31-40	60	1.017	.129	.017
41-50	60	1.000	.000	.000
51+	37	1.108	.315	.052
Total	197	1.031	.172	.012
Levels of benefiting from ERP programs				
21-25	11	1.636	.505	.152
26-30	29	1.690	.470	.087
31-40	60	1.817	.390	.050
41-50	60	1.883	.324	.041
51+	37	1.838	.374	.061
Total	197	1.812	.392	.028
Demand levels to change the program being used				
21-25	11	2.091	.944	.285
26-30	29	2.517	.785	.146
31-40	60	2.600	.669	.086
41-50	60	2.633	.663	.086
51+	37	2.757	.548	.090
Total	197	2.599	.690	.049
Total score levels of groups				
21-25	11	28.091	4.636	1.398
26-30	29	27.586	3.942	.732
31-40	60	29.150	3.069	.396
41-50	60	29.117	3.216	.415
51+	37	28.622	3.662	.602
Total	197	28.751	3.471	.247

FINDINGS

3. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to age

According to Table 8, there is a difference between groups' levels of the use of package programs and ERP programs, their wishes to change them and their total scores.

FINDINGS

3. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to age

The findings related to whether this difference is meaningful based on One-Way Anova results are given in Table 9.

Table 9: ANOVA findings related to education levels

Source of Variance	Sum of Squares	df	Mean Square	F	P
Levels of benefiting from package programs					
Between groups	.301	4	.075	2.618	.036
Within groups	5.516	192	.029		
Total	5.817	196			
Levels of benefiting from ERP programs					
Between groups	1.105	4	.276	1.832	.124
Within groups	28.946	192	.151		
Total	30.051	196			
Demand levels to change the program being used					
Between groups	4.025	4	1.006	2.164	.075
Within groups	89.295	192	.465		
Total	93.320	196			
Total score levels of groups					
Between groups	62.333	4	15.583	1.302	.271
Within groups	2298.480	192	11.971		
Total	2360.812	196			

FINDINGS

3. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to age

According to the data in Table 9, accountants level of use of accounting package programs in accounting shows a significant difference according to age ($F=2.618$, $p<.05$); on the other hand, their levels of use of ERP programs ($F=1.832$, $p>.05$), their levels of wishing to change the program used ($F=2.164$, $p>.05$) and groups' total scores do not show a significant difference according to their education levels.

FINDINGS

3. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to age

Turkey Test findings showing where the difference stem from in age groups are shown in Table 10.

Table 10: Tukey Test findings according to education levels

(I) Age	(J) Age	Mean Difference (I-J)	Standard Error	Sigma
Levels of benefiting from package programs				
21-25	26-30	-.034	.060	.979
	31-40	-.017	.056	.998
	41-50	.000	.056	1.000
	50+	-.108	.058	.344
26-30	21-25	.035	.060	.979
	31-40	.018	.038	.990
	41-50	.035	.038	.897
	50+	-.073	.042	.405
31-40	21-25	.017	.056	.998
	26-30	-.018	.038	.990
	41-50	.017	.031	.983
	50+	-.091	.035	.078
41-50	21-25	.000	.056	1.000
	26-30	-.035	.038	.897
	31-40	-.017	.031	.983
	50+	-.108(*)	.035	.022
51+	21-25	.108	.058	.344
	26-30	.074	.042	.405
	31-40	.091	.035	.078
	41-50	.108(*)	.035	.022

*Mean difference is significantly at 0.05 level.

FINDINGS

3. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to age

- Based on the data in Table 10, it is possible to say that there is a meaningful difference between ages 41-50 and above in terms of the levels of benefiting from accounting package programs. In the light of these findings, it is possible to say that the age group including people who are 51 and above use accounting package programs more than the ones between 41-50 years old.

FINDINGS

4. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to the number of the personnel

• The averages and standard deviations of groups' levels of benefiting from package programs and ERP programs, their total scores and their wishes to change the programs used are shown in Table 11.

Table 11: Accountants' averages and standard deviations according to age

Groups	N	\bar{X}	Ss	Sh
Levels of benefiting from package programs				
1-3	52	1.058	.235	.033
4-7	114	1.018	.131	.012
8 +	31	1.032	.180	.032
Total	197	1.030	.172	.012
Levels of benefiting from ERP programs				
1-3	52	1.865	.345	.048
4-7	114	1.825	.382	.036
8 +	31	1.677	.475	.085
Total	197	1.812	.392	.028
Demand levels to change the program being used				
1-3	52	2.519	.779	.108
4-7	114	2.623	.670	.063
8 +	31	2.645	.608	.109
Total	197	2.599	.690	.049
Total score levels of groups				
1-3	52	27.712	3.732	.518
4-7	114	28.974	3.300	.309
8 +	31	29.677	3.320	.596
Total	197	28.751	3.470	.247

FINDINGS

4. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to the number of the personnel

- According to Table 11, there are differences between the averages and standard deviations of groups' levels of benefiting from package programs and ERP programs, their total scores and their wishes to change the programs used.

FINDINGS

4. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to the number of the personnel

• **One-Way ANOVA** results related to whether this difference is meaningful or not are given in Table 12.

Table 12: ANOVA results according to education levels

Source of Variance	Sum of Squares	df	Mean Square	F	P
Levels of benefiting from package programs					
Between groups	.058	2	.029	.971	.380
Within groups	5.760	194	.030		
Total	5.817	196			
Levels of benefiting from ERP programs					
Between groups	.728	2	.364	2.407	.093
Within groups	29.323	194	.151		
Total	30.051	196			
Demand levels to change the program being used					
Between groups	.462	2	.231	.482	.618
Within groups	92.858	194	.479		
Total	93.320	196			
Total score levels of groups					
Between groups	88.444	2	44.222	3.775	.025
Within groups	2272.368	194	11.713		
Total	2360.812	196			

FINDINGS

4. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to the number of the personnel

- According to Table 12, the accountants level of use of accounting package programs in accounting ($F=.971, p>.05$), their levels of use of ERP programs ($F=2.407, p>.05$), their levels of wishing to change the program used ($F=.482, p<.05$) do not show a significant difference while groups' total scores ($F=3.775, p<.05$) show a significant difference according to their education levels.

FINDINGS

4. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to the number of the personnel

• Tukey Test findings show where the difference stem from in age groups are shown in Table 13.

Table 13: Tukey Test results according to the number of the personnel

Total score levels of groups				
(I) Number of Personnel	(J) Number of Personnel	Mean Difference (I-J)	Standard Error	Sigma
1-3	4-7	-1.26215	.57271	.073
	8 +	-1.96588(*)	.77660	.032
4-7	1-3	1.26215	.57271	.073
	8 +	-.70374	.69325	.568
8 +	1-3	1.96588(*)	.77660	.032
	4-7	.70374	.69325	.568

*Mean difference is significantly at 0.05 level.

FINDINGS

4. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to the number of the personnel

- According to Table 13, it is possible to say that the difference between the ones with 8 or more employees is statistically significant in terms of groups' total scores. In the light of these findings, it is possible to say that the total scores of the group with 8 or more employees are higher than those of the ones with 1 to 3 employees.

FINDINGS

5. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to gender

• The T-Test findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to gender are shown in Table 14.

Table 14: T-Test scores according to gender

Gender	\bar{X}	N	\bar{x}	S	Sd	t	P
Levels of benefiting from package programs							
Woman	42		1.024	.154	.024	-.281	.779
Man	155		1.032	.177	.014		
Levels of benefiting from ERP programs							
Woman	42		1.833	.377	.058	.394	.694
Man	155		1.807	.396	.032		
Demand levels to change the program being used							
Woman	42		2.500	.8040	.124	- 1.048	.296
Man	155		2.626	.656	.053		
Total score levels of groups							
Woman	42		28.809	3.542	.547	.122	.903
Man	155		28.736	3.462	.278		

FINDINGS

5. The findings about whether opinions related to the preparatory work about the application of financial reporting standards change according to gender

- With the data shown in Table 14, it is possible to say that groups' benefiting from package programs ($t = -.281, p > .05$), their use of ERP programs ($t = .394, p > .05$), their wishes to change the one they use ($t = -1.048, p > .05$) and their total scores ($t = .122, p > .05$) do not show a significant difference according to gender. In the light of these findings, it is possible to say that the findings about opinions related to the preparatory work on the application of financial reporting standards do not show a difference according to gender.

CONCLUSION

The following conclusions were reached based on the opinions related to the preparatory work on the application of financial standards:

- It is possible to say that the ones with associate degrees use package programs in accounting more than the ones with high school and university degrees and the ones with graduate degrees use ERP programs more than high school and university graduates.
- It is possible to say that accountants' opinions related to the preparatory work on the application of financial standards do not show a significant difference according to their work experience.

CONCLUSION

- The ones that are 51 years old or older have higher scores in terms of the opinions related to the preparatory work on the application of financial standards than the ones who are between 41 and 50 years old.
- The group with 8 or more employees have higher scores based on their total scores than the ones with 1 to 3 employees.
- There is not a difference between the opinions related to the preparatory work on the application of financial standards in terms of their gender.

CONCLUSION

Thank you very much

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