

**”Babeş-Bolyai” University**

**Faculty of Economics and Business Administration**

**Doctoral School of Economics and Business Administration**

**New insights into financial reporting quality and accounting  
enforcement**

PhD Supervisor

Professor Adela Deaconu, PhD, Habil.

PhD Student

Robert-Cătălin Moş

List of figures.....	4
List of tables.....	5
INTRODUCTION.....	7
Chapter 1. Determinants of financial reporting quality: A review of existing literature .....	11
1.1 Introduction.....	11
1.2 Research methodology .....	12
1.3. Results .....	17
1.4. Final remarks .....	58
Chapter 2. Accounting enforcement in the European Union.....	60
2.1 Construction of a new accounting enforcement proxy for European Union.....	60
2.1.1 Introduction.....	60
2.1.2 Institutional background.....	63
2.1.3 Methodology and Data .....	67
2.1.4 Results .....	70
2.1.5 Final remarks .....	85
2.2 An investigation of accounting enforcement topics in European Union – The case of IFRS enforcement .....	86
2.2.1 Introduction.....	86
2.2.2 Research design .....	88
2.2.3 Results .....	90
2.2.4 Discussions .....	101
2.2.5 Final remarks .....	105
Chapter 3. Uncertainty, accounting enforcement, and financial reporting quality.....	108
3.1 Evidence from European Union .....	108
3.1.1 Introduction.....	108
3.1.2 Hypothesis development.....	111
3.1.3.3 Research methodology.....	115
3.1.4 Results and discussions.....	122
3.1.5 Final remarks .....	132
3.2 Worldwide evidence .....	134
3.2.1 Introduction.....	134
3.2.2 Research design .....	135
3.2.3 Results and discussions.....	143

3.3.3 Final remarks .....	152
Chapter 4. Accounting enforcement as the main determinant of IFRS compliance .....	153
4.1 Introduction .....	153
4.2 Hypothesis development .....	156
4.3 Methodology .....	159
4.4 Results .....	162
4.5 Why is IFRS compliance important? The moderating role of IFRS in the relationship between uncertainty and financial reporting quality: A brief analysis.....	175
CONCLUSIONS .....	179
BIBLIOGRAPHY .....	184
APPENDICES .....	206

## SUMMARY

Financial reporting quality plays a key role in promoting transparency, accountability, and trust within capital markets. Over the years, countries have made substantial efforts to improve the financial reporting quality. Notably, exactly 20 years ago, on January 1, 2005, the European Union mandated the adoption of international financial reporting standards for listed companies. We can also mention the Sarbanes-Oxley Act in the United States, which introduced significant changes, particularly in strengthening internal controls over financial reporting. These events and others have led to extensive research in academic literature. International financial reporting standards adoption, institutional settings, country characteristics, and culture emerge as key determinants of financial reporting quality. However, several shortcomings persist in the literature that need to be addressed. For example, Daske et al. (2023), acknowledge that we still do not know what strong accounting enforcement means in practice. Furthermore, Quagli et al. (2021), emphasize that the literature on accounting enforcement is predominantly dominated by empirical studies, which provides limited practical insights for other stakeholders beyond regulators. The extensive research on the key determinants and consequences of adoption of international financial reporting standards has resulted in limited attention given to the post-adoption period and the factors influencing international financial reporting standards compliance. The extensive focus on the United States regarding financial reporting quality in the context of uncertainty has resulted in limited cross-country evidence. This thesis addresses these shortcomings by proposing a new accounting enforcement measure for European Union member states. We review the accounting enforcement sanctions, topics, and most examined and most frequently sanctioned accounting standards in the European Union. We empirically test the role of accounting enforcement in the context of uncertainty, and we investigate international financial reporting standards compliance in the post-adoption period, highlighting accounting enforcement as a key country determinant.

The results of this thesis are valuable for different types of stakeholders. For researchers and future research, we propose a new proxy for accounting enforcement relevant to the European Union's institutional context. The availability and transparency of the data used will allow future updates, testing, and analysis. For the accounting profession, we provide an overview of topics subject to enforcement sanctions, which can assist them in preparing higher-quality financial statements. For policymakers, we emphasize that accounting enforcement is a critical tool for strengthening

financial reporting quality in times of uncertainty and ensuring international financial reporting standards compliance in the post-adoption period. For investors, the present thesis shows the current issues in the sphere of financial reporting and how important the strength of institutions is in ensuring financial reporting quality.

This thesis began with a review of 85 articles focusing on the determinants of financial reporting quality (*Chapter 1*). Based on this review, we categorized the determinants into three main groups: IFRS adoption, institutional settings and country characteristics, and cultural factors. The findings in the literature were mixed, some studies reporting a positive association between financial reporting quality and these determinants, while others founding negative associations. We concluded that there are several opportunities for further contributions in this area, particularly concerning institutional settings, which present notable gaps in the literature. For instance, there remains an ongoing debate regarding the appropriate proxy for accounting enforcement and how to accurately measure and isolate it from overall institutional quality. Another area for contribution lies in the study of uncertainty, as most existing research has focused on the context of the United States. More cross-country evidence is needed to enrich the understanding of this issue. Additionally, we observed that much of the literature on IFRS adoption overlooks the compliance aspect in the post-adoption period. These are the key findings from the literature reviewed in this thesis, which helped us draw the path of research for this thesis.

In the *second chapter*, we reviewed the institutional architecture of the European Union, which presents a unique setting with a nearly uniform regulatory environment for listed entities. These entities are required to adhere to the same financial reporting rules. This distinct setting allowed us to develop a new accounting enforcement proxy that is more robust and suitable than those previously proposed in the literature, such as those of Brown et al. (2014) and Quagli et al. (2020). We collected data from 22 member states using the annual reports of institutions responsible for examining IFRS financial reporting and overseeing auditors of listed entities. The new proxy specifically addresses the population of listed entities and was determined for the period 2017–2023. To facilitate future research, we prepared an excel file containing direct links to the sources of information and the pages from which data were collected. This allows researchers to extend the analysis period or conduct a deeper investigation of the new proxy. We compared the new proxy with the aforementioned measures and found that it is relatively low correlated with them.

Additional tests against Isidro et al. (2020) measure of overall country institutional quality, computed from 25 institutional quality indicators used in prior research, revealed that the new proxy has additional explanatory power. Notably, it isolates accounting enforcement from overall institutional quality. These findings are particularly relevant for policy-makers, as the proposed framework highlights which countries need to improve their accounting enforcement to achieve the objectives set by the European Union when adopted IFRS and issued the audit directives with the objective of improving financial reporting quality. The results are also of interest to investors, as they can identify countries with strong accounting enforcement for which they can rely on the quality of financial reports published by listed entities. In the second part of the chapter, we analyzed inspections, sanctions, and enforcement topics related to IFRS enforcement. We gathered information from ESMA annual reports for 2014–2023, about the accounting standards investigated and the errors identified during inspections. The results revealed that IAS 1, IAS 36, and IAS 7 are the most frequently sanctioned standards in the European Union. Furthermore, enforcement actions predominantly focus on disclosure issues rather than recognition and measurement. We also compared sanction mechanisms in the European Union with those in other jurisdictions, such as the United States, Australia, and Canada, and found that EU sanctions are generally lighter. These findings are valuable for the accounting profession, as they provide insights into common areas of non-compliance, enabling practitioners to prepare higher-quality financial statements and enhance the reliability of their reports.

In the *third chapter*, we examined the association between uncertainty and financial reporting quality and the moderating role of accounting enforcement. This investigation was conducted for the European Union, and we extended the analysis to a global context, including countries both within and outside the European Union. We used five measures of uncertainty: the European Sentiment Indicator, the Business Confidence Indicator, a dummy variable representing years with significant uncertainty-raising events, Economic Policy Uncertainty, and election years, and a dummy variable representing years with significant uncertainty-raising events. The first three measures applied to the European Union context, while the last two were utilized for the worldwide context. Regression analysis revealed that uncertainty is negatively associated with financial reporting quality in both the European Union and the broader global sample. These results were robust to an alternative measure of financial reporting quality. Furthermore, the analysis demonstrated that accounting enforcement moderates the relationship between uncertainty and

financial reporting quality. We used three measures of accounting enforcement: the strength of auditing and reporting standards, regulatory quality, and the measure proposed by Isidro et al. (2020). These measures were selected for their practical applicability, as they cover the entire period of analysis, and the countries investigated. The findings were consistent across all measures. These results highlights the critical importance of accounting enforcement in mitigating the negative impact of uncertainty on financial reporting quality, particularly in the current environment characterized by heightened uncertainty. Our findings reaffirm that accounting enforcement remains a cornerstone of financial reporting quality and highlight the need to strengthen enforcement mechanisms.

The thesis also provides a valuable connection between chapters. In the first chapter, we identified countries that perform in accounting enforcement. Building on this, the findings in Chapter 3 suggest that other countries can adopt best practices from high-performing institutions to enhance their own enforcement frameworks and policies. This insight is particularly relevant for policymakers aiming to improve financial reporting quality in uncertain times. In conclusion, this thesis offers valuable insights for policymakers by demonstrating the significance of accounting enforcement and its role in ensuring high-quality financial reporting amidst uncertainty. It also provides a roadmap for strengthening enforcement mechanisms by learning from the best practices of high-performing countries.

In the final chapter of this thesis, *Chapter 4*, we investigated a relatively underexplored area of the literature: IFRS compliance during the post-adoption period. While most prior research has focused on the determinants and consequences of IFRS adoption, the crucial topic of IFRS compliance has remained largely unexplored. From our review, we identified only two studies that examine this issue specifically for the European Union. We defined IFRS compliance as the percentage of companies that have adopted IFRS among those required to do so. Building on the literature, we connected our research to the factors influencing the decision to adopt IFRS and tested whether these factors could explain variations in IFRS compliance during the post-adoption period. Our findings reveal that IFRS compliance is far from being fully achieved. Out of the 85 countries analyzed, only three demonstrated full compliance throughout the period of analysis (2007–2019). Among the factors influencing IFRS compliance, accounting enforcement emerged as the most significant determinant, once again underscoring the critical role of enforcement in the

financial reporting field. To highlight the practical importance of IFRS compliance, we conducted an application that demonstrated its relevance. We showed that the financial reporting quality of companies using IFRS is less adversely affected by uncertainty compared to those that do not fully comply. This analysis was conducted on a large dataset and further reinforces the importance of ensuring compliance with IFRS standards. In conclusion, this chapter emphasizes the persistent gap in achieving IFRS compliance and highlights the key role of accounting enforcement in closing this aspect. The findings provide a valuable contribution to the literature and offer insights for policymakers and regulators aiming to enhance financial reporting quality. By demonstrating how IFRS compliance can mitigate the adverse effects of uncertainty, this chapter also highlights the broader implications of effective accounting enforcement.

This thesis is not without its *limitations*. The first limitation concerns the models used to estimate financial reporting quality. While these models have been subject to criticism in the literature, we mitigated some of these concerns by employing multiple models and finding consistent results across all of them. This consistency enhances the credibility of our findings despite the limitations of the models. In the first chapter we used information from annual reports of European Union member states, and as most of the annual reports are in the national language, we faced some difficulties in understanding the content of the annual reports. However, we believe that through the tests performed, our enforcement proxy is a valid one and a strong candidate for future research. Another limitation lies in the measures used for uncertainty and accounting enforcement. As highlighted in the first chapter, many existing measures are general in nature and not directly linked to the specific institutions responsible for these activities. To address this, we adopted a strategy of using alternative measures, and our results remained robust across all of them. This consistency suggests that the results may retain their validity when applied to other measures as well. With respect to IFRS compliance, limitations arise in the estimation process. We relied on the country status as reported by the IFRS Foundation. However, some information may require further investigation. For example, in the European Union, shares listed on secondary markets are not required to adopt IFRS, which may also be the case in other countries. We took steps to account for this by refining the database used in our analysis, but some errors may still persist. Despite these limitations, we believe the results of this thesis provide valuable insights while acknowledging the need for further refinement and investigation in future research.



*Future research* in this field offers several opportunities for exploration. For instance, the new accounting enforcement proxy developed in this thesis could be applied to replicate existing studies from literature. This could yield different findings that would enrich the existing body of literature. Additionally, using the model proposed in this thesis, future research could expand the sample to include more countries beyond the European Union, providing a broader perspective.

Future research could explore alternative measures of financial reporting quality in relation to uncertainty and financial reporting quality. Textual analysis could also be a valuable approach to examining the content of annual reports during periods of high uncertainty. Such studies could investigate how companies present information in these reports and how the content varies between countries with strong versus weak accounting enforcement. This would provide a deeper understanding of reporting practices during uncertain times and the role of enforcement in shaping the information disclosed by management.

Future research on IFRS compliance could focus on understanding why some companies choose not to adopt IFRS and how these reasons differ between countries with strong and weak accounting enforcement. Analyzing this decision-making process could shed light on compliance challenges and potential barriers to adoption.

Another interesting avenue for research would be to study the sanctions imposed on companies that breach IFRS regulations. This could include examining whether the nature or severity of sanctions varies between countries with strong versus weak accounting enforcement. Such findings would enhance understanding of how accounting enforcement operates and its effectiveness in ensuring compliance.

Overall, these areas of future research would build on this thesis's contributions and provide further insights into financial reporting quality.

## **BIBLIOGRAPHY (SELECTION)**

Abdelsalam, O., Chantziaras, A., Ibrahim, M., & Omoteso, K. (2021). The impact of religiosity on earnings quality: International evidence from the banking sector. *The British Accounting Review*, 53(6), Article 100957. <https://doi.org/10.1016/j.bar.2020.100957>

Ahmed, A. S., Neel, M., & Wang, D. (2013). Does mandatory adoption of IFRS improve accounting quality? Preliminary evidence. *Contemporary Accounting Research*, 30(4), 1344-1372. <https://doi.org/10.1111/j.1911-3846.2012.01193.x>

Astami, E., Rusmin, R., Hartadi, B., & Evans, J. (2017). The role of audit quality and culture influence on earnings management in companies with excessive free cash flow: Evidence from the Asia-Pacific region. *International Journal of Accounting and Information Management*, 25(1), 21-42. <https://doi.org/10.1108/IJAIM-05-2016-0059>

Australian Securities & Investments Commission (ASIC). (2020). ASIC review of 30 June 2019 financial reports. Retrieved from <https://asic.gov.au/about-asic/news-centre/find-a-media-release/2020-releases/20-026mr-asic-review-of-30-june-2019-financial-reports/>

Barth, M. E., Landsman, W. R., & Lang, M. H. (2008). International accounting standards and accounting quality. *Journal of Accounting Research*, 46(3), 467-498. <https://doi.org/10.1111/j.1475-679X.2008.00287.x>

Barth, M. E., & Israeli, D. (2013). Disentangling mandatory IFRS reporting and changes in enforcement. *Journal of Accounting and Economics*, 56(2-3), 178-188. <https://doi.org/10.1016/j.jacceco.2013.11.002>

Bradbury, M. E., & Scott, T. (2021). What accounting standards were the cause of enforcement actions following IFRS adoption? *Accounting & Finance*, 61(1), 2247-2268. <https://doi.org/10.1111/acfi.12661>

Brown, P., & Preiato, J. (2014). Measuring country differences in enforcement of accounting standards: An audit and enforcement proxy. *Journal of Business Finance & Accounting*, 41(1-2), 1-52. <https://doi.org/10.1111/jbfa.12066>

Brown, P., Preiato, J., & Tarca, A. (2015). A comparison of between-country measures of legal setting and enforcement of accounting standards. *Journal of Business Finance & Accounting*, 42(1-2), 1-50. <https://doi.org/10.1111/jbfa.12112>

Brown, P., & Tarca, A. (2007). Achieving high-quality, comparable financial reporting: A review of independent enforcement bodies in Australia and the United Kingdom. *Abacus*, 43(4), 438-473. <https://doi.org/10.1111/j.1467-6281.2007.00241.x>

Brown, P., & Tarca, A. (2005). A commentary on issues relating to the enforcement of International Financial Reporting Standards in the EU. *European Accounting Review*, 14(1), 181-212. <https://doi.org/10.1080/0963818042000338997>

Canadian Public Accountability Board (CPAB). (2023). CPAB regulatory oversight report 2023 annual inspections results. Retrieved from <https://cpab-ccrc.ca/docs/default-source/inspections-reports/2023-annual-inspections-results-en.pdf>

Carlos, S., Cesi, C., & Philip, K. (2020). The Database of Political Institutions 2020 (DPI2020). The Database of Political Institutions 2020. <https://doi.org/10.18235/0003049>

Cascino, S., & Gassen, J. (2015). What drives the comparability effect of mandatory IFRS adoption? *Review of Accounting Studies*, 20(1), 242-282. <https://doi.org/10.2139/ssrn.1402206>

Cascino, S., Daske, H., DeFond, M., Florou, A., Gassen, J., & Hung, M. (2023). Reflections on the 20-year anniversary of worldwide IFRS adoption. *Journal of International Accounting Research*, 22(3), 85–96. <https://doi.org/10.2308/JIAR-2023-037>

Cohen, D. A., Dey, A., & Lys, T. Z. (2008). Real and accrual-based earnings management in the pre-and post-Sarbanes-Oxley periods. *The Accounting Review*, 83(3), 757-787. <https://doi.org/10.2308/accr.2008.83.3.757>

Committee of European Securities Regulators (CESR). (2003). Standard No. 1 on financial information: Enforcement of standards on financial information in Europe. Paris, France. Retrieved from [https://www.esma.europa.eu/sites/default/files/library/2015/11/03\\_073.pdf](https://www.esma.europa.eu/sites/default/files/library/2015/11/03_073.pdf)

De Moura, A. A. F., & Avelar, A. A. (2020). Did mandatory IFRS adoption affect the cost of capital in Latin American countries? *Journal of International Accounting, Auditing and Taxation*, 38, 100301. <https://doi.org/10.1016/j.intaccaudtax.2020.100301>

Dechow, P., Ge, W., & Schrand, C. (2010). Understanding earnings quality: A review of the proxies, their determinants and their consequences. *Journal of Accounting and Economics*, 50(2-3), 344-401. <https://doi.org/10.1016/j.jacceco.2010.09.001>

European Union. (2002). Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. *Official Journal of the European Communities*, L 243, 1-4. Retrieved from <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=legissum:l26040>

"European Securities and Markets Authority (ESMA). (2014). ESMA guidelines on enforcement of financial information. Retrieved from [https://www.esma.europa.eu/sites/default/files/library/2015/11/2014-807\\_-\\_final\\_report\\_on\\_esma\\_guidelines\\_on\\_enforcement\\_of\\_financial\\_information.pdf](https://www.esma.europa.eu/sites/default/files/library/2015/11/2014-807_-_final_report_on_esma_guidelines_on_enforcement_of_financial_information.pdf)

"

European Union. (2014). Directive 2014/56/EU of the European Parliament and of the Council of 16 April 2014 amending Directive 2006/43/EC on statutory audits of annual accounts and consolidated accounts. *Official Journal of the European Union*, L 158, 196-226. Retrieved from <https://eur-lex.europa.eu/eli/dir/2014/56/oj/eng>

European Securities and Markets Authority (ESMA). (2017). Peer review on guidelines on enforcement of financial information. Retrieved from <https://www.esma.europa.eu/document/peer-review-guidelines-enforcement-financial-information>

European Commission. (2021). Corporate reporting – improving its quality and enforcement. Retrieved from [https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13128-Corporate-reporting-improving-its-quality-and-enforcement\\_en](https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13128-Corporate-reporting-improving-its-quality-and-enforcement_en)

European Securities and Markets Authority (ESMA). (2023). Report 2023: Corporate reporting enforcement and regulatory activities. Retrieved from <https://www.esma.europa.eu/document/2023-corporate-reporting-enforcement-and-regulatory-activities-report>

European Parliament & Council of the European Union. (2006). Directive 2006/43/EC of the European Parliament and of the Council of 17 May 2006 on statutory audits of annual accounts and consolidated accounts, amending Council Directives 78/660/EEC and 83/349/EEC and repealing Council Directive 84/253/EEC. Official Journal of the European Union, L 157, 87–107. Retrieved from <https://eur-lex.europa.eu/eli/dir/2006/43/oj/eng>

Florou, A., Morricone, S., & Pope, P. F. (2020). Proactive financial reporting enforcement: Audit fees and financial reporting quality effects. *The Accounting Review*, 95(4), 167-197. <https://doi.org/10.2308/accr-52497>

Florou, A., & Yuan, S. (2023). Public audit oversight and audit pricing: Evidence from the EU. *European Accounting Review*, 33(3), 427-457. <https://doi.org/10.1080/09638180.2022.2145981>

Gonçalves, T., Barros, V., & Serra, G. (2022). Political elections uncertainty and earnings management: Does firm size really matter? *Economics Letters*, 214(3-4), Article 110438. <https://doi.org/10.1016/j.econlet.2022.110438>

Healy, P. M., & Palepu, K. G. (2001). Information asymmetry, corporate disclosure, and the capital markets: A review of the empirical disclosure literature. *Journal of Accounting and Economics*, 31(1-3), 405-440. [https://doi.org/10.1016/S0165-4101\(01\)00018-0](https://doi.org/10.1016/S0165-4101(01)00018-0)

Hope, O. K. (2003). Disclosure practices, enforcement of accounting standards, and analysts' forecast accuracy: An international study. *Journal of Accounting Research*, 41(2), 235-272. <https://doi.org/10.1111/1475-679X.00102>

Hope, O. K., Jin, J., & Kang, T. (2006). Empirical evidence on jurisdictions that adopt IFRS. *Journal of International Accounting Research*, 5(2), 1-20. <https://doi.org/10.2308/jiar.2006.5.2.1>

Isidro, H., Nanda, D. D. J., & Wysocki, P. D. (2020). On the relation between financial reporting quality and country attributes: Research challenges and opportunities. *The Accounting Review*, 95(3), 279–314. <https://doi.org/10.2308/accr-52607>

Landsman, W. R., Maydew, E. L., & Thornock, J. R. (2012). The information content of annual earnings announcements and mandatory adoption of IFRS. *Journal of Accounting and Economics*, 53(1-2), 34-54. <https://doi.org/10.1016/j.jacceco.2011.04.002>

Leuz, C., & Wysocki, P. D. (2016). The economics of disclosure and financial reporting regulation: Evidence and suggestions for future research. *Journal of Accounting Research*, 54(2), 525–622. <https://doi.org/10.1111/1475-679X.12115>

Nicholls, C. (2016). The impact of SEC investigations and accounting and auditing enforcement releases on firms' cost of equity capital. *Review of Quantitative Finance and Accounting*, 47(1), 57-82. <https://doi.org/10.1007/s11156-014-0494-9>

Nobes, C., & Stadler, C. (2024). Deviations from the mandatory adoption of IFRS in Europe? Why non-adoption does not mean non-compliance. *European Accounting Review*, 33(4), 1497-1519. <https://doi.org/10.1080/09638180.2023.2197248>

Pope, P. F., & McLeay, S. J. (2011). The European IFRS experiment: Objectives, research challenges and some early evidence. *Accounting and Business Research*, 41(3), 233-266. <https://doi.org/10.1080/00014788.2011.575002>

Pownall, G., & Wiczynska, M. (2018). Deviations from the mandatory adoption of IFRS in the European Union: Implementation, enforcement, incentives, and compliance. *Contemporary Accounting Research*, 35(2), 1029-1066. <https://doi.org/10.1111/1911-3846.12415>

Quagli, A., Lagazio, C., & Ramassa, P. (2021). From enforcement to financial reporting controls (FRCs): A country-level composite indicator. *Journal of Management and Governance*, 52(1), 397-427. <https://doi.org/10.1007/s10997-020-09518-w>

Quagli, A., Avallone, F., Ramassa, P., & Di Fabio, C. (2021). Someone else's problem? The IFRS enforcement field in Europe. *Accounting and Business Research*, 51(3), 246-270. <https://doi.org/10.1080/00014788.2020.1802217>

Ramanna, K., & Sletten, E. (2014). Network effects in countries' adoption of IFRS. *The Accounting Review*, 89(4), 1517–1543. <https://doi.org/10.2308/accr-50717>

Richardson, A. J. (1987). Accounting as a legitimating institution. *Accounting, Organizations and Society*, 12(4), 341-355. [https://doi.org/10.1016/0361-3682\(87\)90023-7](https://doi.org/10.1016/0361-3682(87)90023-7)

Shin, J. E. (2019). Asymmetric investor reaction around earnings benchmark under economic uncertainty. *Asia-Pacific Journal of Financial Studies*, 48(1), 98-122. <https://doi.org/10.1111/ajfs.12246>

Soderstrom, N. S., & Sun, K. J. (2007). IFRS adoption and accounting quality: A review. *European Accounting Review*, 15(4), 675-702. <https://doi.org/10.1080/09638180701706732>

Trimble, M. (2018). A reinvestigation into accounting quality following global IFRS adoption: Evidence via earnings distributions. *Journal of International Accounting, Auditing and Taxation*, 33(1), 18-39. <https://doi.org/10.1016/j.intaccaudtax.2018.09.001>

Van Tendeloo, B., & Vanstraelen, A. (2005). Earnings management under German GAAP versus IFRS. *European Accounting Review*, 14(1), 155-180. <https://doi.org/10.1080/0963818042000338988>

Windisch, D. (2021). Enforcement, managerial discretion, and the informativeness of accruals. *European Accounting Review*, 30(4), 705-732. <https://doi.org/10.1080/09638180.2020.1771393>

Yip, R., & Young, D. (2012). Does mandatory IFRS adoption improve information comparability? *The Accounting Review*, 87(5), 1767-1789. <https://doi.org/10.2308/accr-50192>

Yung, K., & Root, A. (2019). Policy uncertainty and earnings management: International evidence. *Journal of Business Research*, 100(4), 255-267. <https://doi.org/10.1016/j.jbusres.2019.03.058>