Chapter 57

IFRS for SMEs: Perceptions of Accountants in the State of Mato Grosso (from Brazil) on Continuing Professional Education

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ABSTRACT

In this chapter examines the perception of accountants in the State of Mato Grosso, from Brazil, on continuing professional education on IFRS applied to small and medium enterprises - SMEs. After the introduction, where we present this chapter, we contextualize the theory of human resources, with theoretical assumptions. In the next item, we revise of Brazilian accounting standards for SMEs and their regulatory environment. The literature review is completed with the item that addresses content on continuing education. The next step we present the methodology and the date analysis. To collect the evidence, we used questionnaires to accountants responsible for active financial services companies in the State of Mato Grosso. With a sample of 302 responses from a population of 1597 organizations, a descriptive analysis using frequency distribution, measures of central tendency and variability was performed. It is concluded that the perception of accountants indicates that they recognize the possibility of improvement in job performance, as well as greater employability and income. They still set regular level of difficulty in the submission of financial statements in accordance with the new standard: IFRS for SMEs. The study indicates the need to offer continuing education, pointing the Regional Accounting Council and universities as important promoters in the process of qualification of accounting professionals.

INTRODUCTION

The accounts would face new challenges that stemmed from the constant changes in the global economy. The globalized economy, the development of the international capital market and increased foreign investment, would generate the need for standards and procedures that help to reduce the differences

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of accounting information among countries (Barbosa Neto et al., 2009; Neag, Masca & Pascan et al., 2009). The internationalization of accounting as a profession would follow the trend of business and on this hand it is as inevitable consequence (Jermakowicz & Epstein, 2007).

The adoption of a common accounting language, internationally accepted, would produce tangible benefits when making a decision on the part of users of financial information (Calixto, 2010). The rules for that model are published by the International Accounting Standards Board (IASB) and require an environment of preparing financial statements that require more judgment and less on detailed rules-based guidelines (IASB, 2011). In Brazil, Law 11.638/07 determined the accounting harmonization to International Financial Reporting Standards (IFRS) through the adoption of international accounting standards and thus, aligned the country to the accounting internationalization process.

In the conduct of accounting harmonization, the IASB concluded in 2009, the drafting of a law applicable to small and medium enterprises (SMEs). The IFRS for SME would be simplified, but captures all requirements of full IFRS (Girotto, 2010). In Brazil, the technical coordinating body of the Accounting Pronouncements Committee (APC) has made public the approval in accordance with the provisions of the Resolution of Federal Accounting Council (FAC) No. 1255/2009 of the technical pronouncement SME - accounting for SMEs through the Brazilian Standard for Technical Accounting 19.41.

The IFRS for SME has emerged to supply the demand of the users for more reliable information. According to World Bank, IFRS for SME is an excellent model of accountability for small entities, in order to be more adaptable to the size of operations and the corporate structure of SMEs, facilitating the access to financing sources. The Accounting Pronouncements Committee-EMS is an independent set of accounting principles based on the full version of IFRS, but at the same time simplified for small and medium businesses. The new standard is organized by topics for easy use and handling as a reference manual. For members of the Accounting Pronouncements Committee and the Federal Accounting Council, this regulation would provide significant simplification in the process of accounting for Brazilian SME. (Almeida et al., 2011).

For the process of accounting harmonization occurs would be indispensable qualification and continuous updating of the accounting professionals that, in consequence, would draw up financial reports with internationally accepted norms (Cosenza, 2001; Faria & Queiroz, 2009; Cardoso et al., 2009 & Rezaee et al., 2010). Facing this reality, adapt to changes in their professional environment, in particular for companies in financial services would become necessary not only in terms of procedures and practices, but also in terms of concepts and objectives (Amaral et al., 2010).

With changes in standards and procedures that are constantly renewed, it would be the professional seeking to update proactively, depending on what is required by the market (Zajkowski et al., 2007). As a consequence, increase the questions about the level of training of accountants acting in the market, as well as on the effectiveness of the process in developing appropriate skills (Niyama, 2011). Thus, competence would be essential condition to suit the acquired knowledge. Professional competence is reflected in the attributes that accountants must possess in order that they may fulfill that which is expected from them in professional practice (Koliver, 2009).

Understand how the qualification contributes to success in the profession and social environment would be important for practical and theoretical reasons. According to the Human Capital Theory, investing in education would benefit the person, forming and developing its competence, and society. Human capital would be through the initial capacity of the individual and the skills and abilities acquired through formal education or training (Blundell et al., 1999). The acquisition and retention of human
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