

HARMONIZATION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS WITH NATIONAL STANDARDS BODIES TO ENHANCE COMPARABILITY, CONSISTENCY, ACCOUNTABILITY, AND TRANSPARENCY IN CORPORATE REPORTING

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ABSTRACT

Fundamentally, the international effort to achieve a common set of accounting standards is not an easy task. It has started long ago to correct the differing and varying national accounting standards and principles in different parts of the world, however, the ultimate aim is to move towards harmonization. The process of harmonization seeks to bring all the different standards and reporting for better comparability, consistency, and reliability and to shorten the gap of these different streams of accounting rules, regulations, policies, practices, principles, and guidelines. The objective of this current study is to review and understand the emerging issues, challenges, and benefits of adopting and achieving a common set of globally accepted accounting standards that are high quality, understandable, comparable, consistent, and reliable. However, the huge benefit of comparability and consistency can be made and that reliable and relevant accounting information is needed more than ever in the capital market to enhance investment opportunities and improve the investor's economic decision-making. There remain some strong national accounting standards, laws, and regulations that are simultaneously practiced, accepted, and working well in certain countries and jurisdictions. The existence of different accounting principles would serve as a threat to the harmonization and convergence process. Consistent with such gains, it is hoped that the accounting world over time would be controlled and guided by a single set of standards that are universally accepted, comparable and usable in different jurisdictions.

KEYWORDS: *International Harmonization, Convergence, Financial Reporting, Accounting Standards, Standard-Setting Bodies, Comparability, and Consistency*