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# Perceptions and Trends Following the Application of IFRS in Romania

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## Abstract

*An IFRS-based accounting should provide many advantages, both from the point of view of presenting and reporting financial information, as well as from the point of view of decision-making processes, giving companies the opportunity to use the global financial markets to raise capital.*

*In this context, the objective of this research was to identify the perceptions and trends of the Romanian companies' executive directors as a result of applying international financial reporting standards, especially to identify if the application of IFRS created the opportunity to attract external financing sources at the level of Romanian companies.*

*Most respondents are aware of the benefits that companies should get when applying IFRSs. Thus, 96% of the interviewed managers consider that the main advantages offered by the application of IFRS consist, on the one hand, in increasing the level of transparency and comparability of financial information at international level, and, on the other hand, in increasing the role of accounting in the decision-making process. Such advantages should lead to the increase of the confidence of the potential foreign investors in the Romanian companies and subsequently improve the investment process in the Romanian companies, a benefit that, at the moment, the Romanian entities seems to not get yet.*

**Keywords:** IFRS; accounting; external financing sources; foreign capital; domestic capital

**JEL Classification:** M41

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