

Perceptions towards International Financial Reporting Standards (IFRS): The Case of Vietnam

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The perception of Vietnamese accountants regarding the advantages, disadvantages, potential costs and challenges of IFRS adoption in Vietnam will play a major role in its adaptation. Recently, the Ministry of Finance of Vietnam (MoF) announced its intention to revise the existing Vietnamese accounting standards (VAS) to align with the current IFRS. The MoF has not yet determined whether to adopt fully IFRS, converge or keep VAS as they are. This study examines the perceptions, concerns fears and expectations of the Vietnamese accounting community and, in turn, assists the Vietnamese accounting standard setters in making favourable accounting decisions affecting accounting practices. An aggregate of 3,000 questionnaires was sent to 3,000 Certified Public Accountants, Chief Financial Officers/Chief Accountants and accounting academics in Vietnam internally in 2012. The study reveals that the Vietnamese accounting professionals are optimistic about potential benefits from IFRS adoption, indicate expected costs and challenges in implementing IFRS and suggest strong support for a gradual switch from VAS to IFRS, though the level of support varies amongst the three different groups of accountants.

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