

ABSTRACT

The efforts of ASEAN countries in adopting IFRS standards which are known to be able to improve the quality of financial statements, especially in terms of comparability, are increasingly increasing after the enactment of the ASEAN Economic Community (AEC). This study aims to examine the effect of IFRS adoption on the comparability of financial statements in retail companies in 5 ASEAN countries, namely Malaysia, Singapore, the Philippines, Thailand and Indonesia. In this study the comparability of financial statements is proxied by the measurement value of output-based comparability, while the IFRS adoption rate is measured using the measurement of the adoption rate value. In addition, this study also uses company size and the legal system as control variables.

The population of this study consisted of retail sector companies listed on the Indonesia, Malaysia, Singapore, the Philippines and Thailand stock exchanges in 2016 - 2018. This study used a purposive sampling method as a sampling technique. The total sample of companies used in this study were 81 company samples. While the overall sample of observations amounted to 185 observation samples. Testing of the hypothesis used in this study uses Ordinary Least Square (OLS) regression analysis.

The results of this study indicate that the level of IFRS adoption has a significant positive effect on the comparability of financial statements. This indicates that the efforts to adopt IFRS by ASEAN countries were able to increase the comparability of financial statements of companies in ASEAN, especially retail companies. This shows that the company's financial statements are becoming more comparable as the level of adoption of IFRS increases.

Keywords: IFRS, Comparability, ASEAN, Retail