

## Opinion of Opponent on the Master`s Thesis

Author:	BSc. Elshan Vakilov
Title:	<b>Analysis of a Worldwide Adoption of the International Financial Reporting Standards</b>
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The diploma thesis is focused on research in the field of IFRS world adoption. In detail, it describes all stages IAS (IFRS nowadays) came through lucidly dividend into period of voluntary and mandatory adoption. There are three jurisdictions that are described in deeper detail: European Union, Russia and China.

The author concludes that ongoing world adoption process is natural because it provides more benefits than cost. This idea is examined and presented from a number of viewpoints such as opinions of managers of preparers, investors and information asymmetry and political and other economical reasons. Author also carefully elaborates on related constraints.

The thesis is very well written and structured. It focuses clearly on its goal without digressing from the topic. Moreover, the thesis, in my opinion, fulfils also criteria that are usually required in case of scientific papers.

The author carried out a thorough research of existing literature. Number of references highly exceeds other comparable diploma thesis. It is apparent that the author studied his topic very deeply and his work among others represents a thorough state of the art. I also appreciate original author insights especially related to Russian region.

To conclude, in my opinion the thesis highly exceeds all requirements that are to be met in case of diploma thesis. Therefore I recommend this Master`s thesis to be defended by the author and my proposal of a final grade is „excelent“ (1).

Questions recommended to be discussed and answered during a defence of the Master`s thesis:

- Sometimes, managers' remunerations depends on "operating profit". How would you calculate such a measure when IFRS are adopted by a company?
- What may be impacts of IFRS adoption when we take bank covenants and similar contracts into consideration? How would you cope with impacts?

- "How much" fair value (measured by % out of total assets) may be found in statements of financial position of "normal" (i.e. non banking and non insurance) firms? This question is aimed to your own experience. Please guess.
- Conservatism is not present in IFRS anymore. Then, how would you justify the impairments of assets concept in IAS 36?

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