

# **HAS THE ABSENCE OF PRUDENCE FROM THE IFRS CONCEPTUAL FRAMEWORK ISSUED IN 2010 MODIFIED THE CONSERVATIVE PRESENTATION OF FINANCIAL REPORTS OF LISTED COMPANIES? THE CASE OF ROMANIA**

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**ABSTRACT:** *Prudence, a controversial accounting concept, is often debated in the research literature through conceptual depictions, analyses of the regulatory process, norms or empirical tests. In this study, our emphasis is on the recourse to prudence in preparing the annual financial statements of Romanian listed entities subsequent to the elimination in 2010 of the notion of prudence from the IFRS Conceptual Framework issued in 2010. Two types of financial information were considered relevant for the analysis of the recourse to prudence: the provisions and the impairment/write-down of assets. The period taken into consideration is 2010-2016 and the sample is comprised of 13 listed companies on the Bucharest Stock Exchange (BSE) from 5 important industry sectors in Romania. Our findings indicate that the elimination of prudence did not affect the way and the method of presentation of the provisions and of the impairment/write-down of assets in the financial statements of listed companies in Romania.*

**KEYWORDS:** *prudence, norm; conservatism; financial statements; International Financial Reporting Standards*

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