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## THE IMPLEMENTATION OF AN ACCOUNTING SYSTEM: TUNISIAN SPECIFICITY

**Keywords:** normalization, Tunisian Accounting System of 1997, TAS 1997, Full IFRS, IFRS for SMEs, simplified accounting system, type of economy.

**J E L Classification:** M41, M48.

**Abstract:** This research aims to study the possibility of applying IAS/IFRS in an emerging economy such as Tunisia in the presence of two local repositories, the TAS 1997 and the simplified accounting system. The research methodology consists of studying the measurement and disclosure accounting practices adopted by Tunisian companies over four distinct periods (2001, 2007, 2021, and 2024) with the aim of identifying the evolution of these practices and the ability of these companies to implement an innovative repository such as IAS/IFRS. The results obtained show that Tunisian companies are too conservative in their choice of valuation methods and are content to disclose only the minimum amount of information. They apply in their majority the Weighted Average Unit Cost method (WAUC) for the valuation of stocks and the linear method for amortization. They record the borrowing costs and exchange differences into expenses, and they record the charges according to their nature. Furthermore, they present the income statement and cash flow statement according to the authorized model and do not publish the note on earnings per share. Our contribution to the literature is to assess the degree of success of Tunisian companies in implementing a sophisticated accounting system such as the IAS/IFRS repository. To my knowledge, no study has examined the success rate of IAS/IFRS implementation in an emerging country such as Tunisia.

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Furthermore, previous studies have focused on the adoption of IAS/IFRS, not on their implementation.

## ■■■ INTRODUCTION

Since independence, Tunisia, an emerging country, has tried to modernize its accounting system based on a successful model. Initially, in 1969, it set up the general chart of accounts strongly modeled on the French general chart of accounts of 1947; then, in 1997, it set up the accounting system for companies (TAS 1997), a composite system which includes both a nomenclature of accounts inspired by the French system and a conceptual framework and thematic standards inspired by IAS/IFRS standards and the Canadian system.

Currently, Tunisia is faced with several scenarios: pure and simple adoption of the international standards (Full IFRS and IFRS for SMEs) or Full IFRS adoption for consolidated accounts and financial institutions and a mixed system between TAS 1997 and simplified accounting.

It should be mentioned that companies listed on the primary market which present consolidated accounts prepare their financial statements according to Full IFRS. Thus, the possibility of adaptation to the requirements of the international standards and the possibility of adoption can take place if there is a will on the part of the managers of the companies in the first place and the Tunisian standardizer in the second place, since the teaching of the IAS/IFRS is widespread in universities and graduates are generally familiar with the concepts and methods of measurement and disclosure recommended by IAS/IFRS.

In addition, if we decide to adopt it, it will be in a progressive way. In this case, we suggest a simple amendment to the current version of IFRS1, which requires new Full IFRS adopters to comply with all IFRS requirements. Consequently, our economy is split into three categories of economic entities: Full IFRS adopters, TAS 1997 adopters, and simplified accounting adopters.

A question that remains is: What is the scope of adoption of several systems in an emerging country like Tunisia?

To answer this question, we will first present the existing literature. Then, we will present the context of the research. Then, we study the research methodology to adopt. We will discuss the results found, and, finally, we will conclude.

## LITERATURE REVIEW

The implementation of IFRS has prompted many scholars to research its nature and extent across countries around the world. Some have concluded that this implementation is nothing more than a label advanced outside to say that the country in question is a country adopting IFRS standards (Chen, Ding & Xu, 2014). The adoption of IFRS standards must be integral, must mean their application, and cannot be a change of label if we want to reduce information costs and improve the quality of information (Chen et al., 2014).

Ortiz-Martínez, Marín-Hernández and Antón-Renart (2022) showed that practitioners prefer the reform and adaptation of the Spanish legal system towards the direct application of IFRS. They recommend that standard setters should recognize that practitioners need more training and education to implement IFRS.

Others have noted that in the application of the TAS 1997, which is heavily modeled on IFRS standards, the annual reports are not rich in information because the majority of the items are inapplicable in most cases (Baazaoui, 2021).

In addition, some authors have taken into consideration the importance of the role played by professional accountants and auditors in the implementation of IFRS. According to Aburous (2019), professional accountants and auditors play an important role in the process of the implementation of IAS/IFRS. He showed the mastery of IFRS by auditors and the poor training of accountants, especially in SMEs. Accountants record simple transactions and auditors concern themselves with complex transactions, financial statement production, and disclosure. Bonito and Pais (2018) found that countries adopting IFRS for SMEs are common law countries, and their accountants are experienced and familiar with the application of IFRS.

Along the same lines, Almaqtari, Hashed and Shamim (2021) showed the significant impact of audit committee attributes on IFRS compliance and financial reporting quality (earnings manipulation): committee size, independence, diligence, and expertise. For their part, Nguyen, Duy, Hoang and Nguyen (2022) showed the role of stakeholder requirements, professional qualifications of accountants, managers, capital structure, regulation, and operational characteristics of the firm in the preparation of financial statements in accordance with IFRS in Vietnam.

The adoption of IFRS has economic, cultural, and linguistic implications. The translation of IFRS standards was previously seen as a technical task, but currently it reflects the political, economic, cultural, and linguistic superiority of Anglo-Saxon countries (Laaksonen, 2022). Sanabria-García and Garrido-Miralles (2020) have shown that the adoption of IFRS by unlisted Spanish firms improves the quality of forecasts by financial analysts and investments in these firms.

A new stream of research is advancing criticisms of the design of IFRS. For example, Mazzi, Slack, Tsalavoutas and Tsoligkas (2022) found that financial analysts do not prefer the conditions for capitalization of development expenditure imposed by IAS 38, which are subject to subjectivity alongside the absence of the application guide for these conditions. For their part, Dinh and Schultze (2022) found that capitalization of R&D expenditures is not associated with low level of information asymmetry or market value and is positively associated with error forecasts. Additionally, Ma and Zhang (2023) showed that high technology firms are not encouraged to capitalize development expenses and recommended the revision of IAS 38.

Becker, Daske, Pelger and Zeff (2023) found that the adoption of IFRS in the USA is linked to the interaction of decision makers at the SEC level with the internal and external forces of their institutional environment. Moreover, Afzali (2023) showed that a strong corporate culture measured by innovation, integrity, quality, respect, and group work positively influences the comparability of financial reporting.

In Middle Eastern and North African countries, research has focused on the adoption, rather than the implementation, of IAS/IFRS. Examples include the studies by Outellou, Taouab and Abdelbaki (2023), Cieřlik and Sarhad (2022), and Elhamma (2024).

## RESEARCH BACKGROUND

In Tunisia, accounting regulations are ambitious. Indeed, the National Accounting Council has set up accounting systems adaptable to all categories of companies from all sectors of activity. A system for financial institutions and consolidated accounts (Full IFRS), a TAS 1997 strongly aligned with the international reference system with certain amendments but in the presence of major

deficiencies (lack of standards, low information content, etc.) and a simplified accounting system.

IAS/IFRS standards, which have no correspondence in Tunisia (see appendix 1) are: IAS12, IAS19, IAS26, IAS27, IAS29, IAS32, IAS33, IAS36, IAS37, IAS40, IAS41, IFRS1, IFRS2, IFRS5, IFRS6, IFRS8, IFRS9, IFRS13, IFRS14, and IFRS for SMEs.

Through the comparison of Tunisian standards with international financial accounting standards (see appendix 2), it can be seen that international standards have been adapted to the Tunisian context at the cost of significant adjustments. We consulted the essentials of IAS/IFRS via the website <https://doc.cncc.fr/docs/referentiel-ifrs>, and the essentials of IFRS for SMEs via the website <https://www.iasplus.com/en/standards/other/ifrs-for-smes> to compare between the international repository and the Tunisian repository.

Tunisian companies have the option of choosing between Full IFRS. This is the case for banks, insurance companies, and entities which are required to publish consolidated accounts from the 2021 financial year and the TAS 1997 or the simplified accounting system.

The TAS 1997 wanted to comply with international accounting standards by adopting a similar conceptual framework, developing Tunisian accounting standards largely inspired from IAS/IFRS standards, pure and simple adoption of certain IAS standards consolidation in 2003, for example, and the limitation of options.

Simplified accounting applies to entities that make sales not exceeding 300,000 Tunisian dinars for the industrial and commercial profits sector and 100,000 Tunisian dinars for the services sector.

## **RESEARCH METHODOLOGY**

The methodological approach adopted consists of evaluating the degree of implementation of an accounting system such as the TAS 1997 by the Tunisian companies. In fact, we describe the main accounting practices under which there are different treatment options, the main methods of presentation of the financial statements, and the content and structure of these financial statements. After that, we analyze and interpret the disclosure and measurement practices adopted by the Tunisian companies.

The database consists of four samples. The data were collected over extended periods (2001, 2007, 2021, and 2024) because we focused on studying the evolution of accounting practices in companies since the inception of the TAS 1997. In 2001, we collected data from the Tunisian Financial Market Council and several accounting firms. The data for 2007, 2021, and 2024 are available on the Tunisian Financial Market Council website (Tunisian Financial Market Council website, n.d.).

The first sample is made up of 104 companies whose data relates to the 2001 financial year. This sample will henceforth be referred to as 2001 sample. The second sample is made up of 38 publicly traded companies whose data is collected from the financial statements closed on 12/31/2007 and published by the Tunisian Financial Market Council. This sample will now be denoted 2007 sample. The third sample is made up of 70 publicly traded companies whose data is collected from the financial statements closed on 12/31/2021 and published by the Tunisian Financial Market Council. This sample will now be noted 2021 sample. The fourth sample is composed of 25 publicly traded companies whose data is collected from the financial statements closed on 12/31/2024 and published by the Tunisian Financial Market Council. This sample will now be noted 2024 sample.

Based on these four samples, one can know the methods of presentation of the financial statements and the measurement practices adopted. In light of the data, we want to know the percentage of application of each method to get an idea about the trend of accounting measurement and disclosure practices adopted by Tunisian companies.

According to the general accounting standard (NC01), the financial statements are composed of a balance sheet, a statement of income, a statement of cash flows, and the notes to the financial statements. In addition, this general standard recommended the publication of projected accounts, a report on human resources, a report on environmental performance, and a report on technology.

It has provided for a single balance sheet model and two methods for the presentation of the income statement and the cash flow statement. For the income statement, according to the reference method, income and expenses are presented according to their destination. On the other hand, the authorized method consists in classifying income and expenses according to their nature.

The statement of cash flows should present cash flows from (or used in) operating, investing, and financing activities. The cash flow statement presentation methods differ in determining the amount of operating cash flow. They are therefore identical for the rest.

The structure of the published financial statements can be summarized in the following table.

**Table 1.** Methods of presentation of financial statements

Elements of financial statements	Presentation and publication possibilities	
The income statement	reference method	authorized method
The cash flow statement	reference method	authorized method
Note on movement of equity	published	unpublished
Note on earnings per share	published	unpublished

Source: own study based on the TAS 1997.

The options offered by the Tunisian standards regarding the selected accounting practices can be summarized in the following table.

**Table 2.** Measurement practices

Accounting practices	Options offered		
Inventory valuation	individual cost	WAUC	FIFO
Depreciation methods	linear	variable	decreasing
Borrowing charges	activated	expensed	
Exchange differences	activated	expensed	
R&D expenses	activated	expensed	

Source: own study based on the TAS 1997.

## RESULTS: ANALYSIS AND DISCUSSION

### Disclosure practices

Under the terms of the general standard (NC01 in TAS 1997), the income statement can be presented according to the reference model (recommended presentation) or according to the authorized model.

The general standard (NC01 in TAS 1997) requires the publication of a note explaining the change in equity and a note on earnings per share (NC01, §83 in TAS 1997).

The following table contains the number and proportion of companies disclosing different options of information.

**Table 3.** Presentation of information

	Income statement		
	Reference method	Authorized method	Undisclosed statement
2001 sample	13 (12.5%)	88 (84.6%)	3 (2.9%)
2007 sample	4 (10.5%)	34 (89.5%)	0
2021 sample	5 (7.14%)	65 (92.86%)	0
2024 sample	4 (19%)	21 (81%)	0
	Cash flow statement		
	Reference method	Authorized method	Undisclosed statement
2001 sample	32 (30.8%)	65 (62.5%)	7 (6.7%)
2007 sample	12 (31.6%)	26 (68.4%)	0
2021 sample	19 (27.14%)	51 (72.86%)	0
2024 sample	8 (32%)	17 (68%)	0
	Note on movement on equity		
	Published	Unpublished	
2001 sample	16 (15.4%)	88 (84.5%)	
2007 sample	13 (34.2%)	25 (65.8%)	

**Table 3.** Presentation...

	Note on movement on equity	
	Published	Unpublished
2021 sample	58 (82.86%)	12 (17.14%)
2024 sample	20 (80%)	5 (20%)
	Note on earnings per share	
	Published	Unpublished
2001 sample	4 (3.8%)	100 (96.2%)
2007 sample	4 (10.5%)	34 (89.5%)
2021 sample	27 (38.57%)	43 (61.43%)
2024 sample	11 (44%)	14 (56%)

Source: own study.

Most companies in the samples chose the authorized model to present their income statements.

We note that despite all the solutions recommended by the general standard (NC01 in TAS 1997), companies apply the authorized model for the simple reason that the latter does not require any additional effort.

These companies recognize expenses according to their nature. However, the recognition of expenses according to their nature and the authorized presentation of the income statement are considered by the general standard (NC01 in TAS 1997) as transition methods.

Companies that have set up a cost accounting system allowing them to record expenses according to their destination and to calculate the cost of sales accordingly have presented the income statement according to the reference method.

The adoption of the method authorized for the presentation of the statement of cash flows is preponderant.

The majority of companies in the 2001 and 2007 samples do not publish the note explaining the movement of equity. On the other hand, the majority of these same companies changed their disclosure policy and published this note in 2021 and in 2024 (2021 sample and 2024 sample). We also note that the majority of companies do not publish the note on earnings per share.

## Accounting and measurement practices

### Inventory valuation

The accounting standard relating to inventories (NC04 in TAS 1997) provides, as inventory valuation methods, the individual cost method for identifiable inventory, and the WAUC method or the FIFO method for interchangeable inventory. For this last type of inventory, the method is used which allows the matching of expenses with revenues.

The companies in the sample mostly use the WAUC method. This is why companies choosing methods other than WAUC have been grouped together in a single column.

The majority of companies apply the WAUC. The choice of this method is justified by the simplicity of its application. For the other methods, it is to apply the last purchase price, the net realizable value, or the price invoiced by the supplier or the cost of production or the standard cost.

### Depreciation methods

The accounting standard relating to tangible fixed assets (NC05 in TAS 1997) provides for three depreciation methods: constant depreciation, decreasing depreciation, and variable depreciation. It also provides that the choice of method must be justified by the rate of consumption of the future economic benefits generated by the asset being depreciated.

The majority of companies choose the linear mode. This is why we distributed the methods chosen between the linear method and the other methods.

A strong harmony is observed at the sectoral scale and at the global scale. The generalized application of the linear method actually reflects companies' compliance with the rates set by the 1990 ministerial decree. Under the terms of this decree, companies must apply the rates provided or rates lower than these rates provided for to be able to benefit from the deduction of depreciation charges.

It should be noted that the workforces of companies appearing in the "other methods" column are counted twice. Indeed, this category of companies chooses, in addition to the linear method, another method of depreciation to be able to benefit from a tax advantage.

### Borrowing charges

According to the borrowing costs standard (NC13 in TAS 1997), borrowing costs can be capitalized if they meet certain conditions.

Most companies expense borrowing costs. It is very likely that they do not test the application or non-application of the conditions for activating borrowing charges.

### Exchange differences

According to the standard relating to foreign exchange transactions (NC15 in TAS 1997), exchange differences may be spread over several financial years if they are related to borrowings subject to successive repayments over several years.

The majority of companies record as expenses exchange differences relating to borrowings denominated in foreign currencies.

The accounting for research and development costs has been the subject of a specific thematic standard (NC20 in TAS 1997) but no annual reports consulted contain indications or information allowing us to know whether the companies in the sample whether or not they are involved in research and development activities.

**Table 4.** Measurement practices

	Inventory valuation				
	WAUC & others <sup>1</sup>	Others	Inapplicable	Undisclosed	Total
2001 sample	71	0	9	24	104
2007 sample	24	0	0	14	38
2021 sample	40	30	0	0	70
2024 sample	21	3	1	0	25

<sup>1</sup> These are companies that apply other methods or combined methods such as standard cost, individual cost, and WAUC combined with individual cost, or WAUC combined with FIFO.

**Table 4.** Measurement...

	Depreciation method				
	Linear	Other methods	Inapplicable	Undisclosed	Total
2001 sample	94	1	0	9	104
2007 sample	33	2	0	3	38
2021 sample	68	2	0	0	70
2024 sample	25	0	0	0	25
	Borrowing costs				
	Capitalized	Expensed	Inapplicable	Undisclosed	Total
2001 sample	6	23	19	56	104
2007 sample	2	0	0	36	38
2021 sample	12	58	0	0	70
2024 sample	6	0	19	0	25
	Exchange differences				
	Capitalized	Expensed	Inapplicable	Undisclosed	Total
2001 sample	4	27	21	52	104
2007 sample	4	11	23	0	38
2021 sample	9	61	0	0	70
2024 sample	5	5	15	0	25

Source : own study.

## ■■■ CONCLUSION

In this study, we demonstrated that Tunisian companies do not publish enough information required by the TAS 1997. Consequently, the information content of the annual reports consulted reflects the requirements of simplified accounting rather than those of the TAS 1997.

Baazaoui (2020) showed that accounting practices for measurement and disclosure depend on the environment of the country in which the entity operates. Even if the practices have not changed significantly, the TAS 1997 was designed in the future state of a highly internationalized Tunisian economy.

This study showed that the accounting practices for measurement and disclosure adopted by Tunisian companies reflect a desire for simplicity in both valuation and information disclosure. The policy implications are linked to the opportunity of adopting the IAS/IFRS repository and the degree of success in its implementation within an environment unfavorable to transparency and in the presence of information withholding strategies employed by company management.

What is the opportunity to apply full IFRS or IFRS for SMEs in the presence of a general reluctance on the part of the leaders of Tunisian companies accompanied by an economy that is experiencing an unprecedented crisis?

Future research perspectives may focus on studying the degree of success in applying the IAS/IFRS repository by financial institutions and in preparing consolidated accounts in Tunisia.

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## APPENDICES

**Appendix 1.** Table of correspondence IAS/IFRS vs Tunisian repository

IAS/IFRS	Tunisian standard	Remarks
IAS1	NC01	
IAS2	NC04	
IAS7	NC08	
IAS8	NC11	
IAS10	NC14	
IAS12	-	
IAS16	NC05	
IAS19	-	
IAS20	NC12	
IAS21	NC15	
IAS23	NC13	
IAS24	NC39	
IAS26	-	Accounting and Financial Reporting for Pension Plans
IAS27	-	Individual financial statements
IAS28	NC36, NC37	
IAS29		Financial reporting in hyperinflationary economies
IAS32		
IAS33	-	
IAS34	NC19	
IAS36	-	
IAS37	-	
IAS38	NC06, NC10, NC20	
IAS40	-	
IAS41	-	

## Appendix 1. Table...

IAS/IFRS	Tunisian standard	Remarks
IFRS1	–	
IFRS2	–	
IFRS3	NC38	
IFRS5	–	
IFRS6	–	
IFRS7	NC02, NC07, NC21, NC22, NC23, NC24, NC25	
IFRS8	–	
IFRS9		
IFRS10	NC35	
IFRS11	NC37	
IFRS12	NC36	
IFRS13	–	
IFRS14	–	
IFRS15	NC03, NC09	
IFRS16	NC41	
IFRS17	NC26, NC27, NC28, NC29, NC30, NC31	
IFRS for SMEs	–	
–	NC16, NC17, NC18	Securities investment funds
	NC32, NC33, NC34	Associations granting micro-credit
	NC40	Private sports structures
	NC42	Simplified accounting
	NC43, NC44	TAKAFUL and RE-TAKAFUL insurance companies
	NC45	Associations, political parties and other non-profit associations

Source: own study based on the TAS 1997, the essentials of IAS/IFRS via the website <https://doc.cncc.fr/docs/referentiel-ifrs>, and the essentials of IFRS for SMEs via the website <https://www.iasplus.com/en/standards/other/ifrs-for-smes>.

## Appendix 2. Comparison TAS 1997, Simplified Accounting (NC42), Full IFRS, IFRS for SMEs

	Simplified Accounting (NC42)	TAS 1997	Full IFRS	IFRS for SMEs (unlisted entities or entities without public accountability)
Financial statements	Simplified balance sheet, Simplified income statement, Notes to the simplified financial statements	Balance sheet, Income statement (reference method and other authorized method), Cash flow statement (reference method) and other authorized method), Notes to the financial statements	Balance sheet, Statement of comprehensive income (presentation according to destination and presentation according to expenses by nature) Cash flow statement (direct method and indirect method) Statement of changes in equity and statement of determination of earnings per share	Balance sheet Statement of comprehensive income (presentation according to expenses by destination and presentation according to expenses by nature) Cash flow statement (direct method and indirect method) Statement of changes in equity and statement of determination of earnings per share
Accounting journals	General journal inventory book	Journal book: centralizing system inventory book Big Book Balance		
Depreciation methods	Linear depreciation	Mode reflecting the rate of consumption of economic benefits	Mode reflecting the rate of consumption of economic benefits	Mode reflecting the rate of consumption of economic benefits
Valuation of tangible and intangible assets		The NC05 provides that the investment subsidy relating to a good is not deducted from the cost of this good (NC05, §27).	The amount of applicable government grants (IAS16, IAS38) may be reduced by the book value of tangible and intangible assets.	Same treatment as provided by IAS16 and IAS38.

## Appendix 2. Comparison...

	Simplified Accounting (NC42)	TAS 1997	Full IFRS	IFRS for SMEs (unlisted entities or entities without public accountability)
Inventory valuation	Actual cost, standard cost, retail price (price – gross margin rate), most recent purchase price	Purchase cost, production cost, According to NC04, subsidies relating to stored goods are not deducted from the cost of acquisition.	Purchase cost, production cost, Asset-related grants, including non-monetary grants measured at fair value, should be presented on the balance sheet either as deferred revenue or by deducting the grant to arrive at the carrying amount of the asset. Subsidies linked to the result are sometimes presented as income in the income statement, separately or under a general heading such as “other income”, otherwise they are presented as a deduction from the expenses to which they are linked.	Purchase cost, production cost
Inventory valuation on issue		Individual cost, WAUC and FIFO The NC4 retains the reference treatment provided for by IAS2 for the valuation of inventories. This treatment provides for individual cost for identifiable goods and FIFO and WAUC for interchangeable goods.	Individual cost, WAUC and FIFO Permissible treatment under IAS2 has been removed.	Individual cost, WAUC and FIFO
Borrowing costs	Recognized as expenses	Conditional Activation	Conditional Activation	Recognized as expenses
Exchange differences	Recognized as expenses	Conditional Activation	Conditional Activation	Recognized as expenses
Revaluation of assets	Not permitted	Permitted	Permitted	Permitted

## Appendix 2. Comparison...

	Simplified Accounting (NC42)	TAS 1997	Full IFRS	IFRS for SMEs (unlisted entities or entities without public accountability)
Grant processing	In income or in equity	In income or in equity	<p>Two treatments: Treatment 1: in profit or loss (other income) or in equity (deferred income); Treatment 2: the subsidy can be deducted from the costs</p> <p>According to IAS20, government grants must be recognized as income, on a systematic basis over the financial years necessary to link them to the related costs that they are intended to compensate. They should not be credited directly to equity.</p> <p>Asset-related grants, including non-monetary grants measured at fair value, should be presented on the balance sheet either as deferred revenue or by deducting the grant to arrive at the carrying amount of the asset. Subsidies linked to the result are sometimes presented as income in the income statement, separately or under a general heading such as "other income", otherwise they are presented as a deduction from the expenses to which they are linked.</p>	<p>Two treatments: Treatment 1: in profit or loss (other income) or in equity (deferred income); Treatment 2: the subsidy can be deducted from the costs</p>

## Appendix 2. Comparison...

	Simplified Accounting (NC42)	TAS 1997	Full IFRS	IFRS for SMEs (unlisted entities or entities without public accountability)
Intermediate management rebate		<p>Commercial margin, production, margin on material costs, gross value added, gross operating surplus or insufficiency, profit from ordinary activities and net profit after accounting modification for NCO1.</p> <p>Some of these balances appear directly when reading the income statement. Others such as commercial margin, margin on material cost, production, value added, gross surplus or operating shortfall must be calculated. These balances are clearly of French inspiration, with the exception of the notions of results from ordinary activities and net income after accounting changes. The notions of value added and production are partly linked to national accounting imperatives.</p>	<p>There is no explicit concept of intermediate management balances apart from the balances breaking down the income statement for IAS1.</p>	

Source: own study based on the simplified accounting (NC42), the TAS 1997, the essentials of IAS/IFRS via the website <https://doc.cncc.fr/docs/referentiel-ifs>, and the essentials of IFRS for SMEs via the website <https://www.iasplus.com/en/standards/other/ifrs-for-smes>.