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:

(114)   (Basu, 1997)

(2006-2002)

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..(Basu, 1997)   :

(2009   )

.

(The Financial Accounting Standards Board

(SFAC No.   (2)   FASB)   .

2)

Hendriksen (1982)   (FASB, 1980)   (Watts, 2003)

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(private–sector   regulation   of   accoutering

standards)   _____

.2011/11/17   2009/10/29

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(public–
sector regulation of accoutering standards)

(emerging market)

(efficient market hypothesis)

(2008   )   (Belkaoui, 2005)
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(1)   (1961)

:   (12)   (1964)

(1989)   (1)

(1990)   (1)

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.(2005   )
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(litigation explanation of conservatism)

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(income

tax explanation of conservatism)

(2008   )

(regulatory

explanation of conservatism)   (Smith &

Skousen, 1987)

(Beaver

.   Basu, (1997)   & Ryan, 2005)

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:

(conditional conservatism)   .

:   :

(unconditional conservatism)   (Watts, 2003   2008   )

:

(Ball & Shivakumar, 2005)   (contracting explanation of conservatism)

(FASB)

(accounting for contingencies 1975)

(Book-to-

1985)   SFAS   5,

Market approach)

(employer's accounting for pensions SFAS

1995)   87,

(accounting for the impairment of long-lived

(2011   )

.(2009   ) assets SFAS 121,

(Givoly & Hayn, 2000; Hamdan, 2011)

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(Accruals-Based

(Penman & Zhang,

approach)

2002)

(2011)

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(C-Score)

:**Basu, 1997**

(Penman & Zhang, 2002)

(earnings-stock returns

(hidden reserves)

relation measures)

(net operating assets)

–   –

(Basu, 1997)

)   (C-Score)

.(2008

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(Basu)

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(2008   )

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(Hamdan, et al., 2011)

(Basu,
1997)

(225)   (2009-2008)

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2011)

(Richardson et al., 2005)

(2011)

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(Hamdan, 2011)

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(50)   (2008-2005)

(Basu, 1997)   2009)

(Basu, 1997)

(2009)

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(2004   (2008   )

(2005-1996)   :

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(2008   )

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(2010   )

(Basu,   "   "   (2011   )
1997)
(430)   (2006-2001)
(2008)

2008)

(Vichitsarawong, et al., 2010)

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"   (1997)   :

"

(Basu, 1997)

(Watts & Zimmerman, 1983)

Ahmed & Duellman (2007)

(Givoly & Hayn,
Ball, et al., (2000)   2000)

.(timeliness of earnings)
(Qiang, 2007)

.

(contracting   :

(litigation cost)   cost)   Krishnan & Visvanathan (2007)
(taxation)   (regulation)

Lara, et al., (2007)

.

.   Ahmed & Duellman (2005)

(2008   )   (LaFond & Watts,

(R-squared) $(R_{i,t} < 0)$

.   –   –

: $(R_{i,t} > 0)$ –

–

(Basu, 1997)

(β)

.(Basu, 1997)

( )   ( )   (Basu,
1997)

:   (2008)

:

.

:

(Givoly & Hayn,
.2000)

.   (Basu, 1997)

: $(X_{i,t})$ (reverse regression)

: $(R_{i,t})$

$$X_{i,t} / P_{i,t-1} = \alpha_0 + \alpha_1 DR_{i,t}$$
$$+ \beta_0 R_{i,t} + \beta_1 (R_{i,t} \times DR_{i,t})$$

:

$X_{i,t}$: (earnings per share)

.t   i

$P_{i,t-1}$:   t   i.

$R_{i,t}$:   ( )   t   i.

. $DR_{i,t}$:   (dummy variable)

(1) $R_{i,t}$ (0) $R_{i,t}$

Hamdan, 2009) :   .

.(et al., 2011; Hamdan, 2011

(cross
section data)   (114)   :
(2006   (time series data)   (2006)
(175)   (570)
(pooled
data regression)
(114)   (2006-2002)   .(Ordinary Least Squares OLS)
(1)

.

:   **:(1)**

(normal distribution)   **(2006-2002)**
(time series stationarity)

(multicollinearity)
(autocorrelation) | 51 | 25 | 76 |
(homoskedasticity) | 15 | 1 | 16 |
                                     | 23 | 35 | 58 |
. | 25 | 0 | 25 |
                                     | 114 | 61 | 175 |

(2)

.   :

:

(**J**arque-**B**era)   :H_{01}

.
(0.05)   (J-B)   :H_{02}
(2)   (Gujarati, 2003)
(J-B)   .
(0.05)   :H_{03}

.
(natural log.)   :H_{04}

.
.   :

(2):

Time Series Stationarity test		Normal Distribution Jarque-Bera test		
PP	ADF	Sig.	J-B	
10.636	-9.555	0.000	765	$X_{i,t}$
8.497	7.552	0.000	555	$P_{i,t-1}$
9.090	8.133	0.000	178	$R_{i,t}$

Autocorrelation Durbin-Watson test		Multicollinearity Collinearity Statistics test		
1.89	D-W	VIF	Tolerance	
		1.084	0.922	$DR_{i,t}$
Homoskedasticity		1.044	0.958	$R_{i,t}$
0.965	Sig. White	1.089	0.918	$(R_{i,t} \times DR_{i,t})$ (×)

a   0.05

b   %1   -3.44   :   ADF   PP

%5   -2.87

c   570   .

–   (2006-2002)   .

–

(autocorrelation)   (General Linear Model GLM)

(independency)   (non-stationary) (Gujarati, 2003)

(Unit Root Test)   )

(Augmented Dicky-Fuller Test ADF)   (2003

(Phillips-Person PP)   (Collinearity Diagnostics)

(2)   (Tolerance)   (ADF)

(PP)   (Variance Inflation VIF)

%5 %1   Factor

(2003   )

(White)   (5)   (VIF)

(E-Views)

(2)   (VIF)   (2)

(0.05)   (White)   (5)

.

.(White)

(3)

:

(3)   (**D**urbin **W**atson DW)

(2003   )

(2005)   (2002)

(0.304)   (2)

(0.097)

(D-   (2)   (2.5 −1.5)

(1.89)   W)

.

(2005)

(2005)   (2004)

(2006)   (OLS)

(homoskedasticity)

.   (2000   )

(heteroskedasticity)

(3):

14.795	-0.357	1.390	0.244	2002
13.659	-0.671	1.286	0.256	2003
8.193	-0.264	0.824	0.298	2004

				2005	
1.955	-0.269	0.360	0.304	2005	
1.049	-0.627	0.249	0.097	2006	
130,000	-14,265	12,733	2,276	2002	
120,000	-55,919	13,070	2,022	2003	
144,000	-6,086	14,867	4,105	2004	( )
200,000	-1,499	21,576	7,445	2005	
263,000	-4,076	27,019	6,706	2006	
14,700,000	941	1,390,000	226,000	2002	
15,500,000	1,359	1,470,000	237,000	2003	
16,800,000	1,739	1,600,000	267,000	2004	( )
16,800,000	1,283	1,620,000	298,000	2005	
18,400,000	1,261	1,780,000	334,000	2006	
129.697	1.640	28.502	44.867	2002	
177.833	1.210	30.183	45.402	2003	
94.840	0.889	27.665	45.720	2004	
94.830	0.792	25.404	39.940	2005	
135.755	1.219	26.790	41.325	2006	
200.000	0.140	18.641	3.405	2002	
184.000	0.100	17.157	3.379	2003	
305.000	0.200	28.426	5.184	2004	
237.800	0.200	22.155	5.408	2005	
63.300	0.200	6.582	4.885	2006	

(Basu, 1997)   (4)   :

.   :

:

			Pooled Least Squares	:(4)
Sig.	t-Statistic	Coefficient (β)		
0.000	-6.996	-0.203	$DR_{i,t}$	
0.000	-3.802	0.000	$R_{i,t}$	

0.157	1.416	0.000	$(R_{i,t}×DR_{i,t})$ (×)
		0.210	R-squared

p (n-p-1) 0.05   t [a]

.1.645   (570-3-1)

.

(Basu, 1997)   (5)

: $(R_{i,t}×DR_{i,t})$ ( )

$(R_{i,t}×DR_{i,t})$ (5)   .   (Basu, 1997)

(β) (R^2) (4)

(*t*-test)   %21

(0.05)

. $(H_0: β_2=0)$:

(β)   (β) $(H_a: β_2≠0)$

(0.05) $(R_{i,t}×DR_{i,t})$

(1.416)   (*t*-test)

(2008)   (0.05)

)

(2008   (Basu, 1997)

(2009)

(Ball, et al., 2000)

(Ahmed & Duellman, 2005, 2007)

(Lara & Osma & Penalva, 2007)

(Beaver & Ryan, 2005)

(2009)   .

:

.

(5): (Pooled Least Squares)

Sig.	t-Statistic	Coefficient (β)	Sig.	t-Statistic	Coefficient (β)	
0.000	-5.826	-0.089	-1.754	0.185	-0.325	DRi,t
0.000	-4.825	0.000	1.020	0.000	0.000	Ri,t
0.000	31.124	0.000	0.891	0.000	0.000	(Ri,t×DRi,t) (×)
		0.652			0.228	R-squared
		0.638			0.217	Adjusted R-squared
		16			51	

Sig.	t-Statistic	Coefficient (β)	Sig.	t-Statistic	Coefficient (β)	
0.000	-4.372	-0.220	0.000	-7.315	-0.111	DRi,t
0.056	1.932	0.000	0.173	1.373	0.000	Ri,t
0.441	0.773	0.000	0.488	-0.695	0.000	(Ri,t×DRi,t) (×)
		0.361			0.259	R-squared
		0.345			0.239	Adjusted R-squared
		25			23	

a   t   (0.05)   (n-p-1)   (p)   (570-3-1)   (1.645).

b   (Adjusted R-squared)

: (Thomas, 1996)   (Gujarati, 2003).

(6): (Pooled Least Squares)

Sig.	t-Statistic	Coefficient (β)	Sig.	t-Statistic	Coefficient (β)	
0.005	-2.813	-0.143	0.000	-6.466	-0.165	DRi,t
0.227	1.213	0.000	0.337	-0.926	-0.000	Ri,t
0.000	5.354	0.000	0.080	1.756	0.000	(Ri,t×DRi,t) (×)
		0.391			0.187	R-squared
		0.381			0.177	Adjusted R-squared
		57			57	

Sig.	t-Statistic	Coefficient (β)	Sig.	t-Statistic	Coefficient (β)	
0.000	-6.273	-0.132	0.000	-7.737	-0.406	$DR_{i,t}$
0.640	0.468	0.000	0.670	-0.427	-0.000	$R_{i,t}$
0.423	0.802	0.000	0.774	-0.287	-0.000	$(R_{i,t} \times DR_{i,t})$ （ × ）
		0.149			0.301	R-squared
		0.139			0.288	Adjusted R-squared
		57			57	

a (t)   (0.05)   (n-p-1)   (p)   (570-3-1)   (1.645).

$(Adjusted\ R^2)$

(%38.1)

$(R_{i,t} \times DR_{i,t})$ (t-test)

(%63.8)   (%34.5)   (0.05)

(%23.9)

.(%21.7)

:

(2009   )

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(6)

.   :

(57)   (57)

$(R_{i,t} \times DR_{i,t})$

(%17.7) (Adjusted R^2)

(6)

(β) $(R_{i,t} \times DR_{i,t})$

.

(2009)

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(Hamdan, et al., 2011)

(6)

(Hamdan, 2011)

$(R_{i,t} \times DR_{i,t})$ (t-
test=0.802) (1.645) (t-
(0.05)

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(   )

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(2009)

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(Hamdan,
et al., 2011)   :

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(   )   .   :

(Basu, 1997)   1.

(Hamdan, 2011)

(2006-2002)

(2009   )

(Hamdan, et al., 2011)

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.2   (2009   )

(Hamdan, et al.,

2011)

(Hamdan, 2011)

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.3   .

(quality of debt contracts)   4.

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(2009

.   (Hamdan, 2011)

2005

2003   SPSS

2011

38   2   .   278-
.303

2011

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2009

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16

1   .   7-24.

2010

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50

4   .   577-622.

2004

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2000

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2008

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Factors Affecting Accounting Conservatism when Preparing Corporate Financial Reports: Evidence from Jordan

Allam Mohammed Mousa Hamdan

ABSTRACT

This study aims at evaluating the level of accounting conservatism when preparing financial reports in Jordanian companies. Then the study search in the factors affecting accounting conservatism level in these companies which are company sector, company size and the company debt. To achieve these goals, Basu (1997) Model for accounting conservatism was estimated for a sample of Jordanian Companies composed of (114) companies for the period (2002-2006). The results of the study showed that the level of accounting conservatism in financial reports issued by Jordanian companies is low. The study also found that financial reports of banks sector in Amman Stock Exchange (ASE) are the most conservative. In addition, the company's size had impact on accounting conservatism. Thus, small companies were more conservative than bigger ones. The study recommended that the role of private sector in regulating accounting standards in Jordan should be activated which is known of adopting more conservative polices. The censorship on financial market and other related places should be increased to guarantee reliability and transparency of financial reports.

KEYWORDS: Accounting Conservatism, Jordanian Companies, Basu, 1997 Model.

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