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GOODWILL REPORTING PRACTICES: EVIDENCE FROM A POST-TRANSITION ECONOMY

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Abstract. Goodwill is an increasingly important asset in the structure of total assets in modern companies. Since studies have shown that disclosures about goodwill are often not compliant with the rules in accounting standards, the research aims to analyze the characteristics of goodwill accounting from the perspective of a posttransition country. The analysis includes Slovene publicly quoted companies that report under IFRS and is based on data from the period 2007-2011. The results show that goodwill is on average less important in comparison with traditionally developed market economies. The content analysis of disclosures in annual reports provides evidence about strengths and weaknesses of goodwill disclosures in analyzed annual reports.

JEL Classification: M41, M48

Keywords: goodwill, disclosures, intangible assets, IFRS.

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