



European Financial and Accounting Journal
Faculty of Finance and Accounting, University of Economics, Prague

- [Aim and scope](#)
- [Editors, Advisory Board](#)

- [Ethical Standards](#)
- [For authors](#)
- [Archive](#)
- [Open Access Policy](#)
- [Contact](#)

[European Financial and Accounting Journal 2011/1](#)

Comparative Analysis of Czech Accounting with International Regulation from SMEs Perspective

[\[full text \(PDF\)\]](#)

Jiří Strouhal, Marie Paseková, Libuše Müllerová

Use of harmonized accounting standards may reduce investor' s uncertainty and can thus reduce the cost of capital. It can significantly improve the communication between business users and all their statements. Due to the globalization of business and international harmonization of financial reporting Czech Republic experiences a shift in paradigms from historical costs accounting towards fair value measurement. Paper provides an analysis between national accounting legislature and international referential. There is also provided how the ability to measure accounting harmonization can be helpful from the perspective of a globalized world. A comparative analysis between Czech accounting regulation and IFRS or IFRS for SMEs show the level of compatibility between these three sets of accounting regulation.

Keywords: [Czech Republic](#), [Econometric tools](#), [Globalization](#), [IFRS](#), [International harmonization](#)

References:

- [1] Abdel-Khalik, R. A. (1983): Financial Reporting by Private Companies: Analysis and Diagnosis. Norwalk, Financial Accounting Standards Board, 1983.
- [2] Alexander, D. – Servalli, S. (2009): Accounting Regulatory Change: Towards a General Model. In: 32nd Annual Congress of the EAA. Tampere, European Accounting Association, c2009.
- [3] Barker, P. – Noonan, C. (1996): Small Company Compliance with Accounting Standards: The Irish Situation. Dublin, Dublin City University Business School Working Paper no. 10, 1996.
- [4] Canibano, L. – Mora, A. (2000): Evaluating the Statistical Significance of De Facto Accounting Harmonization: A Study of European Global Players. European Accounting Review, 2000, vol. 9, no. 3, pp. 349–369.

- [5] Carey, A. (1990): Harmonization: Europe Moves Forward. *Accountancy*, 1990, vol. 19, no. 3, pp. 92–93.
- [6] Carsberg, B. – Page, M. – Sindall, A. – Waring, I. (1985): *Small Company Financial Reporting*. Englewood Cliffs, Prentice Hall, 1985.
- [7] Choi, F. D. S. – Mueller, G. G. (1992): *International Accounting*. Upper Saddle River, Prentice Hall, 1992.
- [8] Collis, J. – Dugdale, D. – Jarvis, R. (2001): Deregulation of Small Company Financial Reporting in the UK. In McLeay, S. – Riccaboni, A. (eds.): *Contemporary Issues in Accounting Regulation*. Boston, Kluwer, 2001, pp. 167-185,
- [9] Collis, J. – Jarvis, R. (2000): *How Owner-Managers Use Accounts*. London, Institute of Chartered Accountants in England and Wales, 2000.
- [10] Collis, J. – Jarvis, R. – Skerratt, L. (2004): The Demand for the Audit in Small Companies in the UK. *Accounting and Business Research*, 2004, vol. 34, no. 2, pp. 87-100.
- [11] Ding, Y. – Stolowy, H. – Tenenhaus, M. (2003): Shopping Around for Accounting Practices: The Financial Statement Presentation of French Groups. *Abacus*, 2003, vol. 39, no. 1, pp. 42-65.
- [12] Eirle, B. (2005): Differential Reporting in Germany - A Historical Analysis. *Accounting, Business & Financial History*, 2005, vol. 15, no. 3, pp. 279-315.
- [13] Evans, L. et al. (2005): Problems and Opportunities of an International Financial Reporting Standard for Small and Medium-sized Entities: The EAA FRSC's Comment on the IASBC's Discussion Paper. *Accounting in Europe*, 2005, vol. 2, no. 1, pp. 23-45.
- [14] Fontes, A. – Rodrigues, L. L. – Craig, G. (2005): Measuring Convergence of National Accounting Standards with International Financial Reporting Standards. *Accounting Forum*, 2005, vol. 29, no. 4, pp. 415-436.
- [15] Garrido, P. – Leon, A. – Zorio, A. (2002): Measurement of Formal Harmonization Progress: The IASC Experience. *International*

Journal of Accounting, 2002, vol. 37, no. 1, pp. 1-26.

[16] Hoogendoorn, M. (2006): International Accounting Regulation and IFRS Implementation in Europe and Beyond – Experiences with First-Time Adoption in Europe. *Accounting in Europe*, 2006, vol. 3, no. 1, pp. 23-26.

[17] Huddart, S. – Hughes, J. S. (1999): Disclosure Requirements and Stock Exchange Listing Choice in an International Context. *Journal of Accounting and Economics*, 1999, vol. 26, no. 1-3, pp. 237-269.

[18] Jermakowicz, E. K. – Gornik-Tomaszewski, S. (2006): Implementing IFRS from the Perspective of EU Publicly Traded Companies. *Journal of Accounting, Auditing and Taxation*, 2006, vol. 15, no. 2, pp. 170-196.

[19] Larson, R. K. – Kenny, S. Y. (1999): The Harmonization of International Accounting Standards: Progress in the 1990s? *Multinational Business Review*, 1999, vol. 7, no. 1, pp. 1-12.

[20] Larson, R. K. – Street, D. L. (2004): Convergence with IFRS in an Expanding Europe: Progress and Obstacles Identified by Large Accounting Firms' Survey. *Journal of Accounting, Auditing and Taxation*, 2004, vol. 13, pp. 89-119.

[21] Maingot, M. – Zeghal, D. (2006): Financial Reporting of Small Business Entities in Canada. *Journal of Small Business Management*, 2006, vol. 44, no. 4, pp. 513-530.

[22] Marten, K. U. et al. (2002): Rechnungslegung nach IAS – Nutzeneffekte aus Sicht von Eigenkapitalgebern. *Betriebs-Berater*, 2002, vol. 57, no. 39, pp. 2007-2012.

[23] Matis, D. – Strouhal, J. – Bonaci, C. G. (2009): Regulators and Regulations for Financial Instruments in the Context of Financial Crisis – Two Emergent Countries' Point of View. In Tsamenyi, M. – Uddin, S. (eds.): *Research in Accounting in Emerging Economies*. Emerald Publishing, 2009, pp. 345-378.

[24] Meek, G. K. – Roberts, C. – Gray, S. J. (1995): Factors Influencing Voluntary Annual Reports Disclosures by US, UK and Continental European Multinational Corporations. *Journal of International Business Studies*, 1995, vol. 26, no. 3, pp. 555-572.

- [25] Meek, G. K. – Gray, S. J. (1989): Globalization of Stock Markets and Foreign Listing Requirements: Voluntary Disclosures by Continental European Companies Listed on the London Stock Exchange. *Journal of International Business Studies*, 1989, vol. 20, no. 2, pp. 315-336.
- [26] Nobes, C. (2004): On Accounting Classification and the International Harmonization Debate. *Accounting, Organizations and Society*, 2004, vol. 29, no. 2, pp. 189–200.
- [27] Pacter, P. (2004): Will the GAAP Widen for SMEs? *Accountancy*, 2004, vol. 133, no. 1325, pp. 118-122.
- [28] Page, M. J. (1984): Corporate Financial Reporting and the Small Independent Company. *Accounting and Business Research*, 1984, vol. 12, no. 47, pp. 271-283.
- [29] Parker, R. H. (1996): Harmonizing the Notes in the UK and France: A Case Study in De Jure Harmonization. *European Accounting Review*, 1996, vol. 5, no. 2, pp. 317-337.
- [30] Parker, R. H. – Morris, R. D. (2001): The Influence of US GAAP on the Harmony of Accounting Measurement Policies of Large Companies in the UK and Australia. *Abacus*, 2001, vol. 37, no. 3, 2001, pp. 297-328.
- [31] Pratten, C. (1998): The Uses of the Accounts of Small and Medium-Sized Companies and the Effects of the Audit Exemption Regime. London, Institute of Chartered Accountants in England and Wales, 1998.
- [32] Rahman, A. – Perera, H. – Ganesh, S. (2002): Accounting Practice Harmony, Accounting Regulation and Firm Characteristics. *Abacus*, 2002, vol. 38, no. 1, pp. 46-77.
- [33] Schipper, K. (2005): The Introduction of IAS in Europe: Implications for International Convergence. *European Accounting Review*, 2005, vol. 14, no. 1, pp. 101-126.
- [34] Soderstrom, N. S. – Sun, K. J. (2007): IFRS Adoption and Accounting Quality: A Review. *European Accounting Review*, 2007, vol. 16, no. 4, pp. 675-702.

[35] Strouhal, J. (2011) (ed.): Harmonization of SMEs Financial Reporting in Emerging CEE Countries. Athens, WSEAS Press, 2011.

[36] Strouhal, J. – Židlická, R. – Knapová, B. – Cardová, Z. (2011): Účetnictví 2011: Velká kniha příkladů. Brno, Computer Press, 2011.

[37] Strouhal, J. – Deari, F. (2010): Comparative Analysis of the Reporting Bases of Czech Republic, Macedonia and Albania with IFRS. *Global Review of Accounting and Finance*, 2010, vol. 1, no. 1, pp. 41-59.

[38] Strouhal, J. – Müllerová, L. – Cardová, Z. – Paseková, M. (2009): National and International Financial Reporting Rules: Testing the Compatibility of Czech Reporting from the SMEs Perspective. *WSEAS Transactions on Business and Economics*, 2009, vol. 6, no. 12, pp. 620-629.

[39] Sucher, P. – Jindřichovská, I. (2004): Implementing IFRS: A Case Study of the Czech Republic. *Accounting in Europe*, 2004, vol. 1, no. 1, pp. 109-141.

[40] Tay, J. S. W. – Parker, R. H. (1990): Measuring International Harmonization and Standardization. *Abacus*, 1990, vol. 26, no. 1, pp. 71-88.

[41] Taylor-Zarzeski, M. (1996): Spontaneous Harmonization Effects of Culture and Market Forces on Accounting Disclosure Practices. *Accounting Horizons*, 1996, vol. 10, no. 1, pp. 18-37.

[42] Van der Tas, L. G. (1992): Evidence of EC Financial Reporting Practice Harmonization: The Case of Deferred Taxation. *European Accounting Review*, 1992, vol. 1, no. 1, pp. 69-104.

[43] Van der Tas, L. G. (1988): Measuring Harmonization of Financial Reporting Practice. *Accounting and Business Research*, 1988, vol. 18, no. 70, pp. 157-169.

[44] Tokar, M. (2005): Convergence and the Implementation of a Single Set of Global Standards: The Real-life Challenge. *Accounting in Europe*, 2005, vol. 2, no. 1, pp. 47-68.

[45] Vellam, I. (2004): Implementation of IFRS in Poland: Can True Convergence Be Achieved in Practice? *Accounting in Europe*, 2004, vol. 1, no. 1, pp. 143-167.

Current issue

2/2018

Articles

Zdeněk Rybák

[Analysis of the Individual Travel Insurance in the Czech Republic](#)

Michal Novák

[The Quality of Disclosure under IAS 38 in Financial Statements of Entities Listed on PSE](#)

Lucie Kábelová, Ondřej BAYER

[Labour Taxation and its Effect on Employment Growth: Latest Estimations with Focus on the Czech Republic](#)

ATM Adnan

[Home vs. Cross-Border Takeovers: Is There Any Difference in Investor Perception?](#)

Copyright © 2018 [Vysoká škola ekonomická v Praze](#) • [webmaster](#)