

# Positioning of Czech Accountants towards IFRS Implementation

MARIE PASEKOVÁ

Department of Finance and Accounting  
Tomas Bata University in Zlín, Faculty of Management and Economics  
Mostní 5139, 760 01 Zlín  
CZECH REPUBLIC  
pasekova@fame.utb.cz

ZUZANA CRHOVÁ

Department of Finance and Accounting  
Tomas Bata University in Zlín, Faculty of Management and Economics  
Mostní 5139, 760 01 Zlín  
CZECH REPUBLIC  
crhova@fame.utb.cz

JIŘÍ STROUHAL

Department of Business Economics  
University of Economics Prague  
W. Churchill Square 4, 130 67 Prague 3  
CZECH REPUBLIC  
strouhal@vse.cz

HANA ŘEZANKOVÁ

Department of Probability and Statistics  
University of Economics Prague  
W. Churchill Square 4, 130 67 Prague 3  
CZECH REPUBLIC  
hana.rezankova@vse.cz

*Abstract:* - The paper aims to ascertain the level of harmonization of accounting in small and medium enterprises in the Czech Republic and the impacts arising from the harmonization process. On the basis of the conducted survey, companies show a reserved interest in reporting according to IFRS. As a decisive reason for adopting IFRSs as a reporting framework for a company the adoption shall brought out some gains. Only minority of companies considers the greatest advantage for using IFRS in the comparability of financial statements, strengthening the credibility of financial statements and strengthening the prestige of the business.

*Key-Words:* - International Financial Reporting Standards, Financial Statements, Small and Medium-sized Enterprises, Financial Reporting, Harmonization, Czech Republic

## 1 Introduction

Small and medium enterprises (hereinafter SMEs) are facing problems in the endeavor to become involved in cross-border activities. Among the reasons for these problems, we can include disproportionate differences in legal systems of individual countries, the absence of unified accounting standards (i.e. until 2009), the absence of a unified taxation system, the limited supply of funds for these units, insufficient support and

information and, of course, cultural and language differences [11]. IFRS can be considered to be an instrument for facilitating the crossing of borders for small and medium enterprises [18]. For the purposes of harmonizing published financial statements of small and medium-sized enterprises, the first steps in the direction of forming standards that would be simple for SMEs (and that would at the same time fully satisfy all users of the financial statement) were taken as early as 2009. Although

the actual implementation of IFRS to small and medium enterprises is somewhat complicated and costly, subsequent reporting according to IFRS is simpler for businesses [13]. Of course, negative reactions have also appeared with the attempts to implement IFRS in SMEs. In the world of globalization and international trade, SMEs do not really play such a fundamental role, and the harmonization of their financial statements is unnecessary [10]. On the other hand, SMEs often seek investors abroad, and the latter would subsequently require financial statements in a comparable form which would be suitable for consolidation.

Standard IFRS for SMEs could be used as a first step towards adoption of full IFRS, especially among companies considering IPO [6, 14].

## 2 Literature Review

It is precisely accounting aimed at the needs of the state (i.e. the requirements of taxation) that could result in a reduced quality of financial reporting. On the basis of a survey which [1] conducted in the Czech Republic, Hungary, Rumania and Turkey, it was found that managers of businesses based in these countries are primarily interested in tax accounting rather than in financial reporting. From this it follows that financial statements are prepared according to the requirements of the highest and largest user, i.e. the state. Banks follow this dominant user, as they most frequently provide accounting units with funds. [1] however state that banks in these countries are not satisfied with the quality of accounting statements.

[12] focused on surveying users of financial statements among SMEs. According to their survey, banks are the largest users of financial statements in view of the fact that SMEs are dependent primarily on funds provided by banks. A bank loan is far more accessible for smaller businesses than searching for partners interested in developing small enterprise. Small businesses, however, face considerable problems gaining bank funds. They frequently do not have sufficient collateral for a bank loan at their disposal; they also mostly do not even have the necessary information on the conditions of credits [2, 3, 4]. Further problems include also insufficient financial performance or greater risk in view of the insufficient experience of the owners. SMEs follow various strategies, but given the above-mentioned reasons, their main goal is mostly to survive and possibly grow rather than maximizing profits [8, 16, 19, 20]. Clients and business partners are next

in rank after bank users of financial statements. Stakeholders and managers are in most cases shifted to the last place [15].

According to the results of the survey conducted among companies which had already undergone the transition to IFRS in England and Italy, [7] present the following course of implementation. In view of the fact that a time-consuming and complex process is at issue, the first step is the choice and appointment of the work group or project team which, in the context of its operation, proposes a strategy including recommendations for IT, a system of management, a reporting system and an accounting outline. The third phase steps from the ascertainment as to which standards are important for the business and which are not. Important standards have to be scrutinized carefully and the differences between these standards and the national adjustment of the given problem have to be determined. Subsequently, the manner by which the given standard is to be implemented, which changes are required for it and how the financial statement and supplements are affected are determined. The fourth phase includes informing all accountants in the group about the new standards and policies and also includes an auditing committee. It is necessary to ascertain which information will be necessary for the preparation of financial statements on the basis of IFRS. In view of the fact that implementation of IFRS entails higher demands on information, demands on information systems are thus also increased. The closing phase involves commencement of accounting according to IFRS and subsequent quantification after departing from demanding standards.

In connection with the above-mentioned work schedule during the transition to IFRS, mostly one-time expenses are recorded by companies which have already undergone the transition. In subsequent periods, expenses naturally also appear, but their enumeration is relatively difficult. These primarily include expenses on time spent consulting with regulators or auditors, possibly employees' unpaid time and effort. [1] state that it is especially expenses for training accountants that make up the most significant item in connection with implementation of IFRS. The level of education and experience of accountants in the field of IFRS is considered very weak in countries where their survey took place, i.e. in the CR, Hungary, Rumania and Turkey. As has already been stated, it is in precisely these countries that the state is the largest user of the financial statement, from which the obligation stems for units that account in these

countries to keep accounts also according to national adjustments in connection with the resulting tax obligation. Keeping double accounts and preparing double financial statements will therefore entail a significant expense. Further expenses are then identically classified as expenses for procuring necessary IT equipment and expenses for external consultants and auditors.

Of course, profits are also expected from implementation of IFRS. The main benefit expected, according to [1] especially includes the securing of greater transparency of financial statements and the quality of accounting information. Financial statements prepared according to IFRS will of course improve comparison on an international level. This will in itself bring an influx of foreign investors and further financial opportunities, such as reducing expenses on capital. One should also not forget the possibility of expanding enterprise not only on a regional, but also on an international level. According to [7] improvement of a company's reputation, improvement of communication and transparency outwards from the company are interesting benefits from the implementation of IFRS. Further profits are then rather vague as benefits in the form of higher transparency, comparability and higher uniformity of financial statements will probably appear after a medium to long period. According to [7] most companies are rather dubious about profits from reducing expenses on capital.

According to [1] benefits and negative aspects of transition to IFRS can thus be summarized by stating that a clear plus is the focus of accounting on the decision-making process of managers and proprietors, which does not, however, counterbalance the administrative burden which this transition brings with itself. This is caused especially by the double accounting obligation in order to fulfil tax obligations. Generally, companies considering transition to IFRS are therefore more concerned with expenses connected thereto than they are in profits.

[9] also tend towards the assumption that the expenses of implementation of IFRS are caused primarily by the requirements of regulators, the fulfillment of which requires the execution of certain administrative activities.

With international accounting is interdependently linked the issue of measurement. The criteria for the choice of the measurement approach are determined by standard setters. The

starting point should always be the information needs of the users of financial information.

However, there are different groups of the accounting information users that have different interests and different needs. If the accounting regulator is the state – a state institution (what is common in continental Europe) and if there is a close relation between accounting and taxation in the country given, the criteria for the selection of the measurement approach may be strongly influenced by the fiscal interests of the state (accounting is then subordinate to the tax aspects) and other needs of the state administration (a crucial source of demand for accounting information is the state), and the interests of other users of accounting information may not be adequately taken into account. This method of accounting regulation is often characterized by the usually not explicitly formulated basic objectives of financial reporting or conceptual framework.

Continental Europe is characterized by the strong influence of the prudence principle in choosing the appropriate measurement approach (approaches). It was this principle together with the possibility to partly ignore the interests of the users of accounting information (investors, etc.) which is given by the fact that accounting rules are set by a government organization, which significantly influenced the criteria for selecting measurement bases and blocked or hindered the penetration of the measurement in fair value to accounting (as an example we can mention accounting in Germany or France, but also in the countries that are the subject of research in this publication).

Despite there is more and more visible the trend for wider spread of fair value accounting round-out-the world because of the increasing impact of harmonized accounting legislature (IFRS, US GAAP), there could be stated that historical cost model is very popular within continental European accounting systems [17]. This trend could be explained as a positive one, as one of the major premises for applying fair value or revaluation model is transparent active market [5]. This cannot be stated about emerging economies (e.g. in Central and Eastern Europe).

### 3 Research on IFRS Implementation

#### 3.1 Research Design

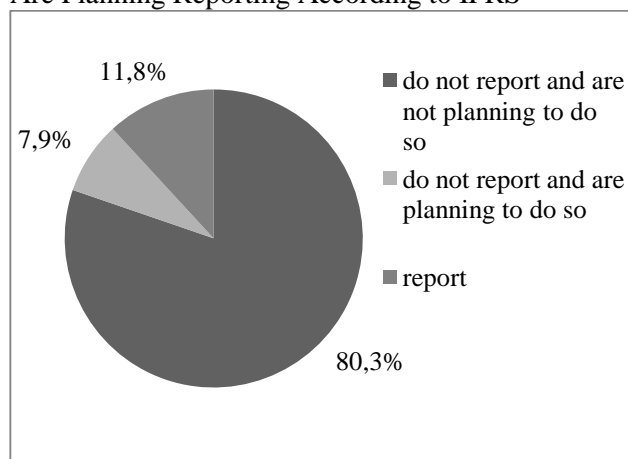
The representatives of 157 businesses were approached for the survey of SMEs in the Czech

Republic according to IFRS. Structured interviews were held with them regarding the usage of IFRS in their businesses. All approached businesses fell into the category of SMEs in classification according to IFRS. The interviews ascertained whether the business is connected with a foreign partner, whether it reports according to IFRS at present, possibly whether they are planning to report according to IFRS in the future and how they view the benefits stemming from the use of IFRS.

### 3.2 Results

The main datum that was monitored was whether the business reports according to IFRS, possibly also whether it is planning reporting according to IFRS. The proportional representation of responses is graphically represented in Figure 1.

**Figure 1.** Proportional Representation of Businesses According to Whether They Report or Are Planning Reporting According to IFRS



Source: own analysis

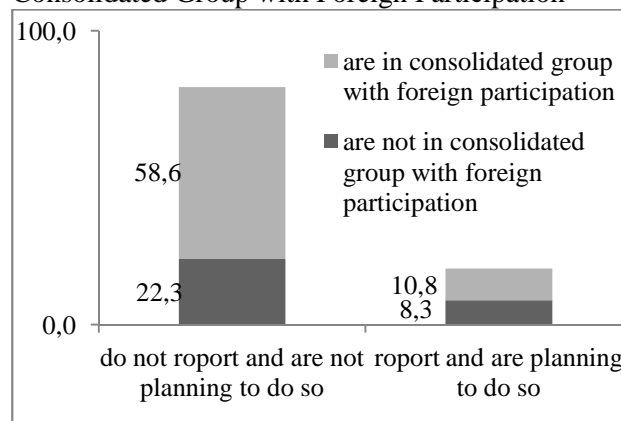
It is clear from the figure that the predominant part of businesses (over 80 %) does not use IFRS in their reporting and are not planning to use it. The remaining two categories are represented roughly identically.

Reporting according to IFRS is voluntary in the Czech Republic, which is why it could be expected that IFRS will mainly be used by businesses forming a consolidated group with foreign participation or by businesses that have a major foreign business partner.

The ratio of monitored businesses forming a consolidated group with foreign participation is 30.6 %. The ratio of businesses with a major foreign supplier or purchaser is 75.3 %, whereas 61.0 of businesses currently have both a major foreign supplier and purchaser.

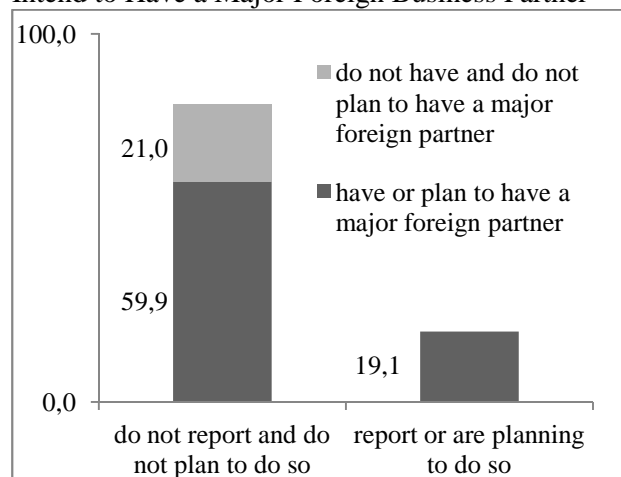
Figure 2 and 3 depict percentage ratios of monitored businesses which report or intend to report according to IFRS and businesses which do not report according to IFRS and do not intend to do so, depending on whether they are part of a consolidated group with foreign participation (Figure 2), or more precisely, whether they have or intend to have a major foreign business partner (Figure 3).

**Figure 2.** Percentage of Representation of Businesses According to Whether They Report or Possibly Plan to Report According to IFRS, Depending on Whether They Are Part of a Consolidated Group with Foreign Participation



Source: own analysis

**Figure 3.** Percentage of Representation of Businesses According to Whether They Report, Whether They Possibly Plan to Report According to IFRS, Depending on Whether They Have or Intend to Have a Major Foreign Business Partner



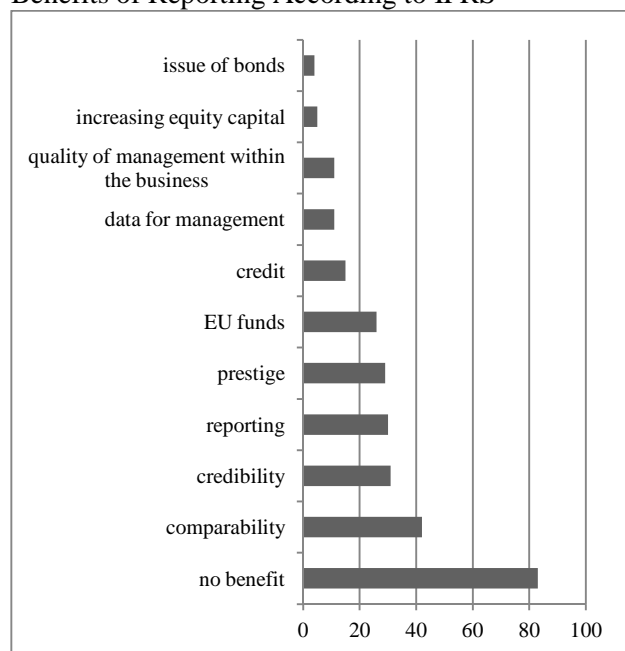
Source: own analysis

Data shown in Figure 2 and 3 do not show the possibility of confirming the hypothesis about use of IFRS especially by businesses forming a consolidated group with foreign participation or

businesses which have a major foreign business partner. From the data it follows that the proportion of businesses that do not and do not intend to report according to IFRS predominates significantly. It is further evident from the data that probably only a third (30.6 %) of the monitored businesses are part of a consolidated group with foreign participation and the majority (80.0 %) of businesses have or plan to have a major foreign business partner.

It seems that businesses view expected benefit as being a decisive factor for adopting IFRS. The enumeration of expected benefits of reporting according to IFRS and their relative number given by the representatives of businesses approached is shown in Figure 4.

**Figure 4.** Relative Number of Expected Benefits of Reporting According to IFRS



Source: own analysis

The clearly predominant view is that adoption of IFRS will bring any advantages.

Businesses consider the strongest advantage to be the comparability of financial statements, followed by the strengthening of the credibility of the business, benefits for reporting and strengthening the prestige of the business. Advantages stemming from access to EU funds and strengthening the possibilities of acquiring a credit follow only after these benefits.

From the results of the survey, it follows that businesses view the possibility of adoption of IFRS with reserved interest. Despite a relatively small proportion of businesses that report or intend to report according to IFRS in the future, businesses are expressing interest in educating their workers in

this area. The proportion of businesses interested in education in the area of IFRS is 27.8 %, which exceeds the number of businesses reporting or intending to report according to IFRS by 10 %.

Businesses reporting according to IFRS use a transition cross-walk for preparation of financial statements or keep double accounting records according to Czech accounting principles and according to IFRS. Business representatives stated that the main problem in the transition to IFRS was financial leases, long-term receivables and liabilities. Expenses connected with the transition to IFRS were elicited by the need to retrain employees; further expenses included salaries of newly-accepted professional accountants

The survey has proved that if SMEs are not immediately obliged to prepare financial statements in accordance with IFRS, they are not interested in the problem of international accounting harmonization. In the Czech Republic, accounting and the tax system are closely connected. Czech tax regulations do not enable using a result of economic activity according to IFRS for the calculation of income tax. The state is the main user of outputs from accounting in relation with the need to adjust the amount of tax obligation.

The predominant view among Czech businesses is that possible implementation of IFRS bring no advantages to them. They see advantages in unification, common comparable reporting of results of economic activity, followed by credibility of the business, reporting benefits and strengthening the business' prestige. It must be added that Czech businesses are reluctant to provide the public with information as to their economic activity. They are afraid that they will leak some of their know-how or practices in preparation of financial statements. As regards providing information about their enterprise on the market, they see more disadvantages than advantages such as improved competitive ability stemming from greater transparency of the business. Inconsistency, imprecision and ambiguity in the Czech national accounting system leads to distortion of accounting information, and to opening ways for the possibility of creative accounting.

## 4 Research on Perceptions of Accounting Professionals for Possible Implementation of IFRS Trends

### 4.1 Research Design

We can consider Czech Republic as a typical representative of emerging economy from CEE area with the traditional linkage of accounting system to tax system and application of prudence principle in accounting. That is why fair value it is not such widely applied like under IFRS practices. Main objective of this research was to find out the perception of the professional accountants on current trends in international accounting and how it might influence local Czech accounting practices.

For this purpose there was prepared a questionnaire survey. This survey was conducted among selected Czech companies in spring 2013. The research was targeted on companies with clear audit opinion and questionnaire was sent to 4,082 companies. The return rate was 9.1 % and we analyzed 371 valid questionnaires.

Analytical part of this survey (conducted online via Google forms) was divided onto two parts: (i) questions related to company's behavior (3 questions) and questions related to perceptions on selected accounting issues (6 questions).

### 4.2 Results

Analytical part of this survey (conducted online via Google forms) was divided onto two parts: (i) questions related to company's behavior (3 questions) and questions related to perceptions on selected accounting issues (6 questions).

There were surveyed following areas:

- methods of depreciation (see Table 1),
- reporting of finance lease (see Table 2),
- measurement of investment properties (see Table 3),
- measurement of receivables and liabilities (see Table 4),
- fair value measurement (see Table 5),
- accounting for provisions (see Table 6),
- accounting for impairment (see Table 7),
- obligatory financial statements (see Table 8), and
- major user of financial statements (see Table 9).

Responses conducted within tables 1, 6 and 7 are based on companies real behavior, responses conducted within all other tables are based on

perceptions of professional accountants what they do believe it would be vital for future developments in Czech accounting legislature.

*Table 1.* Methods of Depreciation

Depreciation	Accounting Framework		Total
	CZ GAAP	IFRS	
tax only	14.9 % (37)	4.1 % (5)	11.3 % (42)
other methods	85.1 % (212)	95.9 % (117)	88.7 % (329)
<b>total</b>	<b>100.0 % (249)</b>	<b>100.0 % (122)</b>	<b>100.0 % (371)</b>

Source: own analysis

The usage of tax depreciation methods is wider for companies reporting under Czech accounting framework, however findings that 5 companies reporting under IFRS are using tax methods of depreciation only is alarming as these companies are audited with clear audit opinion and this tax methods are strongly against true-and-fair-view principle in accounting.

*Table 2.* Who Shall Report the Object of Finance Lease

Reporter of Finance Lease	Accounting Framework		Total
	CZ GAAP	IFRS	
lessor	51.0 % (127)	34.4 % (42)	45.6 % (169)
lessee	49.0 % (122)	65.6 % (80)	54.4 % (202)
<b>total</b>	<b>100.0 % (249)</b>	<b>100.0 % (122)</b>	<b>100.0 % (371)</b>

Source: own analysis

Current accounting treatment of reporting for finance leases based on Czech accounting framework is linked to legal status, i.e. lessor is the legal owner of the object of finance lease and shall report it. Based on IFRS treatment there is applied the economical point of view and lessee is considered as economic owner of the object of finance lease.

When discussing the companies reporting under Czech accounting framework, there is visible balanced trend of responses who shall report the object of finance lease. For companies reporting under IFRS framework is visible the trend to follow the rules provided by IAS 17 – Leases.

**Table 3.** Measurement of Investment Properties at Fair Value

Investment Properties at Fair Value	Accounting Framework		Total
	CZ GAAP	IFRS	
no	25.3 % (63)	19.7 % (24)	23.5 % (87)
yes	74.7 % (186)	80.3 % (98)	76.5 % (284)
<b>total</b>	<b>100.0 % (249)</b>	<b>100.0 % (122)</b>	<b>100.0 % (371)</b>

Source: own analysis

Investment properties are not designed as a special category based on Czech accounting framework. Due to this reason they are accounted as standard property/plant/equipment item following the historical costs model.

From the results is visible the willingness of companies to use the basic model for investment properties according to IAS 40, i.e. to use fair value model (revaluation impact through the profit/loss of the period).

**Table 4.** Measurement of Receivables and Liabilities at Amortized Costs

Receivables and Liabilities at Amortised Costs	Accounting Framework		Total
	CZ GAAP	IFRS	
no	34.9 % (87)	34.4 % (42)	34.8 % (129)
yes	65.1 % (162)	65.6 % (80)	65.2 % (242)
<b>total</b>	<b>100.0 % (249)</b>	<b>100.0 % (122)</b>	<b>100.0 % (371)</b>

Source: own analysis

Receivables and liabilities are under current Czech accounting practices measured at nominal values (nevertheless they are short-term or long-term based). Based on the results of our analysis there is visible the willingness to apply the international approach, i.e. to measure long-term receivables and long-term liabilities rather at their amortised costs. However as an incremental question arising from the measurement at amortized costs is still considered among professional accountants the computation of effective interest rate.

**Table 5.** Wider Spread of Fair Value Measurement

Wider Spread of Fair Value	Accounting Framework		Total
	CZ GAAP	IFRS	
no	17.7 % (44)	8.2 % (10)	14.6 % (54)
yes	82.3 % (205)	91.8 % (112)	85.4 % (317)
<b>total</b>	<b>100.0 % (249)</b>	<b>100.0 % (122)</b>	<b>100.0 % (371)</b>

Source: own analysis

Results show the willingness for wider application of fair value in Czech accounting, however there shall be pointed out only in case, that this fair value would be measured reliably. At this place we find helpful to provide some views of our respondents on this topic:

- *I'm for the applying of fair value only in case that there exists for the asset/or liability active market. I'm for the elimination of the qualified estimation (Level 3) – in such a case there shall be rather preferred historical cost.*
- *Fair value accounting has a general problem in case, that the fair value is not objectively measured. Fair value shall be used "prudently" in financial statements and this value has to be really reliable and objective. From this point of view I rather prefer historical costs accounting with impairment tests.*

**Table 6.** Accounting for Provisions

Provisions	Accounting Framework		Total
	CZ GAAP	IFRS	
tax only	27.3 % (68)	9.0 % (11)	21.3 % (79)
other	72.7 % (181)	91.0 % (111)	78.7 % (292)
<b>total</b>	<b>100.0 % (249)</b>	<b>100.0 % (122)</b>	<b>100.0 % (371)</b>

Source: own analysis

There shall be stated that accounting of tax deductible provisions is just a phenomenon among companies reporting under Czech accounting framework. The reasoning is pretty simple – the most popular tax deductible provision (on repairs of tangibles) is strictly prohibited by IAS 37.

**Table 7.** Accounting for Impairment

Impairment	Accounting Framework		Total
	CZ GAAP	IFRS	
tax only	21.3 % (53)	4.1 % (5)	15.6 % (58)
other	78.7 % (196)	95.9 % (117)	84.4 % (313)
<b>total</b>	<b>100.0 %</b> <b>(249)</b>	<b>100.0 %</b> <b>(122)</b>	<b>100.0 %</b> <b>(371)</b>

Source: own analysis

Tax deductible impairment is computed mainly by companies reporting under Czech accounting framework. As a tax deductible is within Czech rules recognized the provision on bad-debts (despite is considered as impairment). Within the group of companies reporting under IFRS framework is visible the trend of wider recognition of impairment of tangible assets.

**Table 8.** Obligatory Financial Statements

Obligatory Financial Statements	Accounting Framework		Total
	CZ GAAP	IFRS	
BS, PL, Notes	98.4 % (245)	98.4 % (120)	98.4 % (365)
+ others	1.6 % (4)	1.6 % (2)	1.6 % (6)
<b>total</b>	<b>100.0 %</b> <b>(249)</b>	<b>100.0 %</b> <b>(122)</b>	<b>100.0 %</b> <b>(371)</b>

Source: own analysis

According to Czech accounting framework, as parts of obligatory set of financial statements are considered balance sheet, P/L statement and notes (cash flow statement and statement of changes in equity is voluntarily based).

Based on IFRS rules all these statements are obligatory, however P/L statement is replaced by the statement of comprehensive income and the most important part of this set are explanatory notes. Based on our results absolute majority of Czech companies would rather prefer the Czech approach, i.e. to consider as obligatory only balance sheet, P/L statement and notes.

**Table 9.** Who is the Major User of Financial Statements

Primary User	Accounting Framework		Total
	CZ GAAP	IFRS	
tax authority, bank	38.6 % (96)	39.3 % (48)	38.8 % (144)
owner, investor	61.4 % (153)	60.7 % (74)	61.2 % (227)
<b>total</b>	<b>100.0 %</b> <b>(249)</b>	<b>100.0 %</b> <b>(122)</b>	<b>100.0 %</b> <b>(371)</b>

Source: own analysis

Owner was pointed out as a major user nevertheless the company reports under Czech accounting framework or under IFRS rules.

## 5 Conclusive Remarks

The sector of SMEs has an irreplaceable role in the context of market economy. SMEs represent over 1 million economic subjects; represent 99.84 % of all entrepreneurs in the Czech Republic. They employ over 1.8 million employees and participate in approximately 51 % of export and about 56 % of import. SMEs play a major role for the development of the endogen potential of individual regions in the Czech Republic, as they are entrepreneurially and socially connected to a given region in a significant way and make up the regional entrepreneurial backbone.

If they are part of a multinational group, SMEs in the Czech Republic have the possibility to choose between international accounting standards and Czech accounting regulations. The problem of the Czech Republic is that national legislation does not enable fixing of an income tax base from financial statements prepared according to IFRS and businesses therefore have to prepare financial statements according to two different standards, which entails a major administrative burden. Measures leading to a reduction of administrative burden should thus precede possible legislative enactment of an obligation for SMEs to report according to IFRS.

The representatives of SMEs are rather skeptical about implementation of IFRS among SMEs. According to them, IFRS are tailored more to the needs of large businesses and are too complicated for SMEs. The European Association of Small and Medium Enterprises is of the impression the implementation of IFRS would have a negative



influence on SMEs at this stage and calls on the Commission to adjust IFRS so as to be acceptable and comprehensible for SMEs.

### Acknowledgment

This paper is one of the research outputs of the research project IGA/FaME/2013/002 “*The model of comprehensive evaluation of the debt ratio of small and medium enterprises with regard to the risk of insolvency*” and project IGA VŠE 2/2014 “*Analysis of Reporting by Listed and Non-Listed Companies in Selected EU Countries and China*”.

### References:

- [1] C.N. Albu et al., Implementation of IFRS for SMEs in Emerging Economies: Stakeholder Perceptions in the Czech Republic, Hungary, Romania and Turkey, *Journal of International Financial Management and Accounting*, vol. 24, no. 2, 2013, pp. 140-175.
- [2] J. Belás, and E. Cipovová, The Quality and Accuracy of Bank Internal Rating Model. A Case Study from Czech Republic, *International Journal of Mathematics and Computers in Simulation*, vol. 7, no. 1, 2013, pp. 206-214.
- [3] J. Belás, E. Cipovová, P. Novák, and J. Polách, Dopady použitia základného prístupu interných ratingov na finančnú výkonnosť banky [Impacts of the Foundation Internal Ratings Based Approach Usage on Financial Performance of Commerical Bank], *E+M Ekonomie a Management*, vol. 2012. no. 3, 2012, pp. 142-155.
- [4] J. Belás, and J. Polách, Economic Imbalance and Regulatory Traps in Banking Sector. In *Proceedings of Finance and the Performance of Firms in Science, Education and Practice*. Zlín 28.4.2011.
- [5] C. Bonaci, D. Matis, and J. Strouhal, Crisis of Fair Value Measurement? Some Defense of the Best of All Bad Measurement Bases, *WSEAS Transactions on Business and Economics*, Vol. 7, No. 2, 2010, pp. 114-125.
- [6] E. Cipovová, and J. Belás, Impacts of Selected Methods of Credit Risk Management on Bank Performance, In. *Proceedings of the 8th European Conference on Management, Leadership and Governance*, 2012, pp. 465 - 473.
- [7] A. Fox, G. Hannah, C. Helliard, and M. Veneziani, The costs and benefits of IFRS implementation in the UK and Italy. *Journal of Applied Accounting Research*. vol. 14, no. 1, 2013, pp. 86-101.
- [8] H. Jáčová, and J. Horák, Application of Strategic Management in Enterprises Located in the Czech Republic as a Tool of Resources Management Support, *WIT Transactions on Ecology and the Environment*, no. 179, 2013, pp. 767-777.
- [9] R. Litjens, S. Bissessur, H. Langendijk, and R. Vergoossen, How do preparers perceive costs and benefits of IFRS for SMEs? Empirical Evidence from the Netherlands, *Accounting in Europe*, vol. 9, no. 2, 2013, pp. 227-250.
- [10] M. Machek, and O. Machek, A Model of Small Business Growth, *International Journal of Economics and Statistics*, vol. 1, no. 4, 2013, pp. 89-96.
- [11] O. Malíková, and J. Horák, Environmentally Related Impacts of Financial Reporting: The Case of Pollution Permits in Czech Legislative Conditions, *WIT Transactions on Ecology and the Environment*, no. 147, 2011, pp. 433-442.
- [12] R. Neag, E. Masca, and I. Pascan, Actual aspects regarding the IFRS for SME – Opinions, debates and future developments. *Annales Universitatis Apulensis Series Oeconomica*, vol. 11, no. 1, 2009, pp. 32-42.
- [13] M. Paseková et al., IFRS for SMEs: Current Issues in Reporting of SMEs in the Czech Republic, Slovak Republic, Poland and Ukraine, In. *AMIS 2010 - Proceedings of the 5th International Conference, Accounting and Management Information Systems*, Bucharest, 2010, pp. 793-801.
- [14] D. Seifert, and D. Lindberg, Key Provisions of IFRS for Small and Medium-sized Entities, *The CPA Journal*, vol. 80, no. 5, 2010, pp. 34-37.
- [15] J. Schönfeld, *Moderní pohled na oceňování pohledávek: Problém aktiv zvláště v insolvenčním řízení [Modern Insight on Valuation of Receivables from the Bankruptcy Perspective]*, Prague: C.H. Beck, 2011.
- [16] L. Smrčka, M. Arltová, and J. Schönfeld, Factual and Mathematical Analysis of Impacts of the Economic Crisis on Tourism in the Czech Republic, *International Journal of Mathematical Models and Methods in Applied Sciences*, Vol. 5, No. 6, 2011, pp. 1118-1126.
- [17] J. Strouhal, C. Bonaci, N. Pasca, and J. Bokšová, Fair Value Accounting: Political Obstacles?, *International Journal of Mathematical Models and Methods in Applied Sciences*, Vol. 5, No. 6, 2011, pp. 1019-1026.

- [18] J. Strouhal, L. Müllerová, Z. Cardová, and M. Paseková, National and International Financial Reporting Rules: Testing the Comparability of Czech Reporting from the SMEs Perspective, *WSEAS Transactions on Business and Economics*, vol. 6, no. 12, 2009, pp. 620-629.
- [19] M. Svatoš, and L. Smutka, Development of Agricultural Trade and Competitiveness of the Commodity Structures of Individual Countries of the Visegrad Group, *Agricultural Economics*, vol. 58, no. 5, 2012, pp. 222-238.
- [20] J. Vološin, L. Smutka and R. Selby. Analysis of the External and Internal Influences on the CR Agrarian Foreign Trade, *Agricultural Economics*, vol. 57, no. 9, 2011, pp. 422-423.