

## THE IMPLEMENTATION OF THE IFRS FOR SME IN THE EU

H. Bohušová

**Received: December 17, 2010**

### Abstract

BOHUŠOVÁ, H.: *The implementation of the IFRS for SME in the EU*. Acta univ. agric. et silvic. Mendel. Brun., 2011, LIX, No. 2, pp. 43–50

Small and medium sized companies have very important position in the EU economy, mainly in the area of employment. Their activities on the internal market are limited by a great deal of obstacles. The most important obstacles can be considered different national financial reporting and tax systems. IASB published an International Financial Reporting Standard (IFRS) designed for use by small and medium-sized entities (SMEs). The IFRS for SME is expressly designed to meet the financial reporting needs of entities that (a) do not have public accountability and (b) publish general purpose financial statements for external users. This standard could be a suitable instrument for the SME accounting harmonization.

The aim of the paper is to analyze the problems connected with the harmonization of accounting legislation used by SMEs in EU countries especially in the Czech Republic.

In the frame of methodology the empirical research was used. The author has distributed questionnaires to the enterprises in the Czech Republic, selected according to their size and the field of activity. Comment letters of 210 respondents from 26 EU Member States were used for evaluation possibilities of the IFRS for implementation to national legislation.

Based on the results of empirical research some problems could arise with the IFRS for SME application. Based on the questionnaires, respondents are highly interested in the costs and gains of IFRS for SME application. The gains should exceed the costs of IFRS for SME application.

SME, harmonization, IFRS for SMEs, EU consultation

Small and medium sized enterprises (SMEs) are considered to be the substantial part of the companies operating in the EU member states at present. These companies are creating 66% of jobs in the EU (Eurostat). In that connection, SMEs are considered to be the key factor of economic growth and employment in the EU. Therefore they receive a great deal of attention in the EU in the last ten years.

The increase in the importance of SMEs in the EU economy has forced the Commission to work on studies COM(2001)582 final and COM(2005)532 final in that area. These studies have dealt with the SMEs position on the Internal Market and have identified the obstacles, which these types of enterprises are facing while operating on the Internal Market. The existence of obstacles mainly in the form of 27 different accounting systems which

generate disproportional high compliance costs for SMEs (in comparison with the large enterprises) is the reason why SMEs are less involved in cross-border activities and less operate in the internal market. The studies have revealed the fact that SMEs operates mainly in the domestic (national) markets. It seems to be obvious that in today's globalized world the higher involvement of SMEs in cross-border activities and its higher operation on the Internal Market could bring the increase in their competitiveness and performance, which would remarkably influence the economy and growth of EU as a whole.

The International Accounting Standards Board (IASB) issued on 9 July 2009 an International Financial Reporting Standard (IFRS) designed for use by (SMEs). The standard is a result of a five-year development process. IFRS for SMEs could be

a suitable instrument of SMEs financial reporting harmonization in the EU and all over the world and its application could lead to the elimination of one of the obstacles, which SMEs are facing while operating in the Internal Market.

## METHODS AND RESOURCES

The paper is concerned with the position of the SMEs in the process of IFRS for SME application in the Czech Republic and its attitude towards the application of IFRS for SME into EU legislation. The

### I: The structure of researched enterprises

| Type            | Number |
|-----------------|--------|
| Micro-entities  | 25     |
| Small entities  | 10     |
| Medium entities | 10     |

Source: Own research

starting empirical research in the Czech SMEs was done by Nerudová, Bohušová in 2007. The research was aimed at the evaluation of the willingness and readiness of SMEs for transformation of the harmonized financial reporting system (IFRS for SMEs). The sample of 45 SMEs was used. The structure of researched SMEs is in Tab. I.

The following data were acquired from the questionnaires: the subject of the SME activity, the involvement in the cross-border activities, the attitude to the current accounting legislation, the willingness to adopt new harmonized system of financial reporting, expected benefits and expenses connected with a harmonized financial reporting system adoption.

The subsequent research done by the EU was aimed at the view of stakeholders from 26 EU countries and 4 non EU countries (Uganda, Switzerland, Croatia, Norway) on the published IFRS for SMEs. The overview of respondents (per country) is in Tab II.

Respondents were classified as preparers, users, public authorities and national accounting standard setters, accountants and auditors. The structure of respondents is shown in Tab III.

The consultations were aimed at acquiring the following information: initial reaction to IFRS for SMEs, indication of costs and benefits of the IFRS for SMEs adoption, opinion on quality information served by IFRS for SME in relation to national GAAP, opinion on the adoption of IFRS for SMEs as the EU accounting legal framework.

The first harmonization efforts in the area of accounting were finished by the adoption of directives (Fourth directive No. 78/660/EEC, Seventh directive No. 83/349/EEC and Eight directive No. 84/253/EEC). They create the code of EU accounting legislative and represent the basic harmonization tool of European Commission. The most important direc-

### II: The overview of respondents

| Country             | Number of respondents |
|---------------------|-----------------------|
| Austria (AT)        | 10                    |
| Belgium (BE)        | 9                     |
| Bulgaria (BG)       | 1                     |
| Cyprus (CY)         | 1                     |
| Czech republic (CZ) | 3                     |
| Denmark (DE)        | 6                     |
| Estonia (EE)        | 1                     |
| Finland (FI)        | 4                     |
| France (FR)         | 7                     |
| Germany (GE)        | 56                    |
| Greece (GR)         | 2                     |
| Hungary (HU)        | 2                     |
| Ireland (IR)        | 2                     |
| Italy (IT)          | 9                     |
| Latvia (LV)         | 0                     |
| Lithuania (LT)      | 1                     |
| Luxemburg (LU)      | 6                     |
| Malta (MT)          | 1                     |
| Netherlands (NL)    | 3                     |
| Poland (PL)         | 4                     |
| Portugal (PT)       | 4                     |
| Romania (RO)        | 2                     |
| Slovakia (SK)       | 1                     |
| Slovenia (SL)       | 1                     |
| Spain (ES)          | 5                     |
| Sweden (SE)         | 4                     |
| United Kingdom (UK) | 9                     |
| EU organizations    | 23                    |
| Switzerland (CH)    | 1                     |
| Croatia (HR)        | 1                     |
| Norway (NO)         | 1                     |
| Uganda (UG)         | 1                     |

Source: European Commission

tive in the area of accounting represents the fourth directive which concerns the financial statements of large and medium sized capital companies.

Since 1970's, the International Accounting Standards Committee (IASC) has played a very important role in the area of accounting harmonization. IASC was followed in 2001 by the International Ac-

### III: The structure of respondents

| Type of respondents                      | Number | Share |
|--|--------|-------|
| Users                                    | 26     | 12 %  |
| Public authorities and standards setters | 29     | 14 %  |
| Accountants and auditors                 | 68     | 32 %  |
| Preparers                                | 87     | 42 %  |

Source: European Commission

counting Standards Board (IASB) which was asked to create unified International Accounting Standards (IAS), later International Financial Reporting Standards (IFRS). Since 2005 companies listed in the EU have had to prepare their consolidated financial statements in accordance with the EU endorsed IFRS. The majority of EU companies continue to prepare their accounts in accordance with the Member State's Generally Accepted Accounting Principles (GAAP), which is in accordance with the Fourth Directive and the Seventh Directive, which provide a common set of accounting principles, prescribed layout for the profit and loss account and the balance sheet. The comparison of financial statements from one country to another is not always possible.

At present, the directives connected with accounting are undergoing revision. The aim is to adopt the directives to the requirements connected with the internalization of business environment and also to harmonize the directives with IFRS. The public consultation on this topic was aimed to gauge an opinion of a stakeholder on several proposals how to modernize and simplify the 30 years old directives. Most respondents expressed support for the simplification of accounting for small and medium sized companies. A Member States' option to create a new "micro" entity category in order to exempt them from the accounting requirements under the 4th Directive was proposed by the European Commission, simultaneously with the launch of this stakeholder consultation.

In 2001 IASB was authorized to develop internationally acceptable accounting standards for companies which are not the subjects of public interest – SMEs. The project was supported by 29 organizations, European Commission and the EU member states as well. The objective of the project was to develop an IFRS expressly designed to meet the financial reporting needs of entities that (a) do not have public accountability and (b) publish general purpose financial statements for external users such as owners who are not involved in managing the business, existing and potential creditors, and credit rating agencies. The sphere covers a wide range of companies – from micro companies to large companies. For that reason it is very difficult to create the rules and methodical procedures (standards) which would fully correspond to the needs of these enterprises and which would not cause an excessive burden to them.

In 2007 the Exposure Draft of IFRS for SMEs was issued. It was derived from full IFRSs with appropriate modifications based on the needs of users of SME financial statements and cost-benefit considerations. The Board re-deliberated the proposals in the (IFRS for SMEs), which was issued in February Exposure Draft (ED) of an International Financial Reporting Standards for Small and Medium-sized Entities 2007. The comment period for the ED ended on 30 November 2007. The Board received 162 letters of comment on the ED. The ED was tested

in 116 SMEs from 20 countries in 2007 as well. In the 'field testing', the most recent SME's annual financial statements were restated following the proposals in the ED and any problems encountered were reported. The project was finished by publishing the final version of IFRS for SMEs on July the 9<sup>th</sup> 2009.

IFRS for SMEs is a self-contained standard of about 230 pages tailored for the needs and capabilities of smaller businesses. IFRS for SMEs is separate from full IFRSs and is therefore available for any jurisdiction to adopt whether or not it has adopted the full IFRSs. It is also for each jurisdiction to determine which entities should use the standard. It is built on an IFRS foundation. Many of the principles in full IFRSs for recognizing and measuring assets, liabilities, income and expenses have been simplified, topics not relevant to SMEs have been omitted, some accounting policies options in full IFRSs are not allowed because a more simplified method is available to SMEs and the number of required disclosures has been significantly reduced. IFRS for SMEs does not address the following topics covered in full IFRS:

- Earnings per share.
  - Interim financial reporting.
  - Segment reporting.
  - Special accounting for assets held for sale.
- In IFRS for SMEs, optional accounting policies are not allowed, for example:
- Financial instrument options, including available-for-sale, held-to-maturity and fair value options.
  - The revaluation model for property, plant and equipment, and for intangible assets.
  - Proportionate consolidation for investment in jointly-controlled entities.
  - For investment property, measurement is driven by circumstances rather than allowing an accounting policy choice between the cost and fair value models.
  - Various options for government grants.

The recognition and measurement principles in the full IFRS are in simplified in IFRS for SMEs in the following areas:

- Financial instruments.
- Goodwill and indefinite-life intangible assets.
- Investment in associates and joint ventures.
- Research and development costs.
- Property, plant and equipment and intangible assets.
- Defined benefit plans.
- Income tax.
- Biological assets.
- Equity-settled share-based payment.

In comparison to full IFRS which are intended for listed companies (only 45 000 over the world) the IFRS for SME is aimed at millions of companies, which represent over 99% of all companies all over the world. There are over 25 million private

sector enterprises in Europe and over 20 million in the USA. Over 60 jurisdictions have already adopted IFRS for SME or stated a plan to adopt (IASB, 2010).

## RESULTS AND DISCUSSION

Research made by Baker, Noonan (1995) and Demartini (2005) demonstrated that SMEs are not a homogenous group and these entities should be differentiated into groups, e.g. medium sized entities, small entities and micro entities. Recommendation 2003/361/EC regarding the SME definition was adopted in May 2003. This document categorized SMEs into three groups:

- Medium-sized enterprises with less than 250 employees and the turnover below € 50 million and/or balance below € 43 million.
- Small enterprises with more than 50 people and the turnover below € 10 million and/or balance below € 10 million.
- Micro enterprises with less than 10 employees and the turnover below € 2 million and/or balance below € 2 million.

Each group of SMEs category differs in many ways. There is the most significant difference in the field of regulation of financial reporting in many countries. Many countries exempt small enterprises from statutory audit. SMEs have the option to fill abbreviated reports with reduced level of disclosure. The IFRS for SME includes these simplified requirements.

On the other side, the IASB definition of SMEs does not include quantified size criteria for SMEs determination, because this standard could be used in over 100 countries. It is not feasible to develop quantified tests that would be applicable and long-lasting in all these countries. In deciding which entities should be required or permitted to use IFRS for SMEs, jurisdiction may prescribe quantified size criteria in each particular country. Despite this fact, the IASB approach focuses on "the typical SME" with about 50 employees. It is a quantified size test for defining SME but, rather, to help it decide the

kind of transactions, events and conditions that should be explicitly addressed in IFRS for SMEs. There could arise any problems, because IFRS for SMEs could not be suitable for all kinds of entities in the SMEs spectrum, especially for very small entities (micro entities). This kind of entities prepares financial statements especially for taxation purposes. It is a question whether IFRS for SMEs is suitable for implementation in this kind of SMEs.

### The attitude to the financial reporting system for SMEs harmonization in the Czech Republic

Based on the results of empirical research, SMEs in the Czech Republic do not consider the current system of accounting and financial reporting as optimal. They have reservations towards frequent and non systematical legislation changes. Differences in accounting system within Europe are not considered as the significant obstacle in cross-border activities by the majority of respondents. The majority of respondents were for close relation between harmonized financial reporting system and taxation. In their comments, they were, for example, afraid of the administrative costs connected with the new financial reporting system application. The results of the research are summarized in Tab IV.

The partial results of EU consultation on IFRS for SMEs made in 2010 show a poor interest of the Czech accounting public in the harmonization process. Only three respondents participated in the EU consultation. Some progress could be seen in the attitude of the Czech respondents to the idea of a financial reporting harmonization in comparison to this research. They are for the widespread use of IFRS for SMEs within Europe and they agree that the increase of international comparability will benefit users, but they do not think that this system will provide more useful information than national GAAP system.

IV: Results of the research done in the Czech Republic

| Question  | Yes | No | No answer | Comments  |
|---|-----|----|-----------|---|
| Satisfaction with current accounting legislation in the Czech Republic  |     | 20 |           | Micro entities are not an accounting entity in the Czech Republic |
| Are the different accounting systems an obstacle?   | 3   | 9  | 8         |   |
| Disconnection between harmonized financial reporting and corporate taxation system  | 3   | 16 | 1         | The growth of compliance cost of taxation                         |
| Profit or loss from the financial reporting system would be equal to the tax base or the starting point for the tax base calculation? | 17  | 2  | 1         | Decrease in compliance costs of taxation                          |
| Is it necessary to harmonize the financial reporting system?  | 15  | 4  | 1         |   |
| Differentiation of financial reporting systems based on the size of enterprise  | 11  | 8  | 1         |   |
| Have you ever met the ED of IFRS for SME?   |     | 20 |           |   |

Source: Own research



## V: The results of the EC consultation

| Question   | Yes | States with majority Yes   | No | States with majority No                |
|--|-----|--|----|--|
| <b>Is IFRS for SMEs suitable for the widespread use within Europe?</b>   | 13  | CY, CZ, DK, EE, EL, ES, IE, MT, PL, PT, SE, UK                             | 9  | AT, BE, BG, DE, FI, FR, IT, SK, SL     |
| <b>Do you think the increased international comparability of accounts prepared under IFRS for SMEs will benefit your business?</b>               | 8   | CY, DK, EL, IE, IT, PT, RO, SE   | 6  | AT, BE, DE, FR, LU, SK                 |
| <b>Do you think IFRS for SMEs will provide more useful information than national GAAP accounts?</b>  | 4   | EL, IE, LU, SE   | 10 | AT, BE, BG, CY, DE, DK, ES, FR, IT, SK |
| <b>Does increased international comparability of accounts prepared under IFRS for SMEs benefit users?</b>  | 15  | AT, CY, CZ, DK, EE, EL, FI, IE, LT, MT, NL, PL, PT, SE, UK                 | 8  | BE, BG, DE, ES, FR, IT, LU, SK         |
| <b>Do you think adoption of IFRS for SMEs should be provided for within the EU accounting legal framework?</b>                                   | 19  | BG, CY, CZ, DK, EE, EL, ES, HU, IE, LT, LU, MT, NL, PL, PT, RO, SE, SL, UK | 6  | AT, BE, DE, FR, IT, SK                 |
| <b>If yes, should such an option be limited to a Member State option (MS would have a possibility but no obligation to accept IFRS for SME)?</b> | 12  | AT, BG, CY, CZ, EE, HU, LT, MT, PT, SK, SL, UK                             | 8  | BE, DE, DK, EL, ES, FR, IT, NL         |

Source: European Commission

### The attitude to the financial reporting system for SMEs harmonization in the EU

The European Commission decided to seek the opinion of the EU financial statements users on the IFRS for SME. During the four-month consultation period The EC received over 200 responses from almost all Member States. The consultation document consisting of 12 questions was issued in November 2009. The aim of the commission was to receive comments from the users of accounts, such as businesses, banks and investors. Comments had been analysed to assist in review of the Accounting Directives. The main opinions of MS respondents are summarized in Tab V.

Divergent opinions were obtained by respondents on the potential application of IFRS for SMEs in Europe. In some Member States the linkage between taxation and capital maintenance rules could make the implementation of IFRS for SMEs more burdensome for some companies by duplicating reporting requirements. Supporters of the widespread use of IFRS for SMEs argued that the standard is best suited for large and Medium-sized companies. The main support for the IFRS for SMEs implementation was from companies with subsidiaries in different Member States, companies seeking international finance and companies listed on non-regulated markets. The financial reporting in accordance with the IFRS for SME would make preparing of the consolidated accounts easier, as there would be no need for reconciling national accounting treatments.

The potential widespread adoption of the Standard was considered as a benefit by many respondents. Those who supported the adoption highlighted the advantages for comparing financial statements prepared in different jurisdictions, which would encourage more cross-border trade and merger/acquisition activity and lower the cost of raising finance. Audit costs would be lower as well.

And the development of a common educational framework for accountants around the standard could pave the way for more mobility of accountants and audit services within the EU. In Supporters' opinion is IFRS for SMEs easier to follow than full EU IFRS, companies could adopt it as a stepping stone towards public listing.

Opponents of the application of IFRS for SMEs in the EU stressed the standards' complexity, particularly for small companies. For companies operating in just one country that have no need for cross-border comparability, the users prefer national accounting rules to harmonization of rules. Some opponents stated that their experience with full IFRS showed that comparability is still difficult. The differences between full EU IFRS and IFRS for SMEs as different national legal environments were quoted as obstacles to full comparability. Those against of the application stressed the uncertainty about the future development of IFRS for SMEs, compared to the relative stability of the Accounting Directives.

Majority of respondents supported the opinion that the Accounting Directives have a crucial position in the EU accounting framework, and they should provide a set of general accounting principles applicable in the EU. There are not significant differences between the IFRS for SMEs rules and the EU Accounting Directives. The analysis of consistency EU Directives and IFRS for SMEs were provided by EFRAG. EFRAG compared thousands of requirements in Directives with thousands in IFRS for SMEs. Based on conclusions of this analysis was considered only six main differences:

- No income or expense called "extraordinary" are allowed in IFRS for SMEs.
- Difference in some financial liabilities measurement, in the IFRS for SME are measured at fair value whilst in EU Accounting Directives and full IFRS cannot be measured at fair value.

- Goodwill amortization 10 years in IFRS for SMEs and 5 years in EU Directives.
- Immediate recognition of negative goodwill in profit or loss under IFRS for SMEs and EU Accounting Directives would not allow negative goodwill to recognized immediately in profit or loss if the negative goodwill for example relates to the expectation of unfavourable future results.
- Presenting unpaid shares as an offset to equity in IFRS for SMEs and as an asset (subscribed capital unpaid) in the Fourth EU Accounting directive.
- Reversal of goodwill impairment losses is forbidden in IFRS for SMEs and EU Accounting Directives requires goodwill impairment to be reversed.

Many respondents were favoured an optional adoption of the Standard by Member States, only if the MS is allowed to take the national economic and legal environment into consideration in deciding on the use of the Standard. It could allow the Member States to choose criteria for adoption, whether only consolidated or also individual financial statement could be prepared according to the Standard. Opponents of optional adoption claimed that only world-wide application is necessary and called for the obligatory application, at least for consolidated statements.

In the opponents' opinions, IFRS for SMEs is not suitable for internal management. Its implementation would increase the cost of preparation and audit of individual company accounts and the increased disclosure requirements could potentially put companies that adopted it at a competitive disadvantage to firms using less stringent accounting rules. The adoption of the new rules will bring extra costs. Companies and their accountants would have to redesign the internal processes, train staff on new accounting systems and produce restatements of comparative information. Many small companies that lack accounting expertise would need to enlist professional help when adopting IFRS for SMEs. These initial adoption costs would recur whenever the standard would be revised. The increased complexity would add to the cost of audits, and companies would need help on a regular basis to exercise judgments in complex areas such as tax deferrals and determining fair market valuations on assets

and pensions liabilities. The standard's requirements in these areas would make financial statements less comprehensible for the ordinary reader.

IFRS for SMEs was best suited for large and medium-sized companies, for international groups and subsidiaries of companies reporting under full IFRS. The standard caters mainly to share capital providers rather than to other SME users such as trade creditors, tax authorities, owners and employees, who would be more familiar with current national regimes. Comparability of financial reports was mentioned as the main argument in favour of IFRS for SMEs. A universal accounting code was seen as essential in attracting foreign investors, the preparation of consolidated accounts in multi-national groups would be easier and the costs of their preparation could decrease. Opponents highlighted the standard's complexity for the smallest companies. The Standard would increase the cost of preparation and audit of individual company accounts especially in the smallest companies. The close linkage between the tax and accounting regimes in several Member States would also result in the preparation of an additional set of accounts. Under these conditions the three tiered reporting framework as shown in the table could be suggested.

#### VI: *The proposal of EU reporting framework*

| Tier | Accounting regime | Type of entity                     |
|------|-------------------|------------------------------------|
| 1    | Full IFRS         | Listed companies                   |
| 2    | IFRS for SMEs     | Non-publicly accountable companies |
| 3    | National GAAP     | Micro-entities or small entities   |

In spite of some resistance, there is majority support for Europe's plan to adopt the new standard, which is currently scheduled to be introduced for small/medium companies (non listed, or non-"publicly accountable" entities) from April 2012. There will need to be a similar European endorsement mechanism that applies to full IFRSs to ensure IFRS for SMEs conforms to Europe's accounting directives.

## SUMMARY

Financial reporting under a single framework in Europe, as a single economic market, is a positive step towards achieving consistency, comparability and relevance in financial reporting across companies in the European Union. Full IFRS have been obligatorily used for the EU listed companies since 2005. Despite the fact that EU small and medium sized enterprises (SMEs) are considered to be the substantial part of the companies operating in the EU member states at present, the financial reporting of these companies is different in each EU country. It is necessary to support that the use of the similar reporting framework is allowed for these EU companies. The best solution is represented by IFRS for SMEs, which is intended for non-publicly accountable entities.

The possibility to use a harmonized high quality set of financial reporting standards can lead to a higher understandability and comparability of financial information. This will bring benefits to investors and other users of financial reports. The standard for SMEs is shorter and clearer than many domestic Generally Accepted Accounting Principles (GAAPs) and might therefore also help improve the reporting framework in many countries. The EU should allow its Member States to implement the standard – but not make implementation mandatory. Retaining of the national GAAP, as an alternative reporting framework, could be important especially for separate financial statement of entities operating only in national markets and for micro-entities as well and preparing statements for tax purposes. Under these conditions the three tiered reporting framework could be used.

The revision of the existing Accounting Directives, and hence national GAAPs of Member States, is necessary for convergence with IFRS for SMEs. In many Member States separate financial statements are required for tax purposes, in such cases it is important to encourage Member States to engage their fiscal authorities to develop a method of profit or loss reported under the IFRS for SME transformation for tax purposes.

### REFERENCES

- IASB, 2009: *International Financial Reporting Standard for Small and Medium-sized Entities*, London.
- IASB, 2010: *Recent adoptions of the IFRS for SMEs*, IASB Newsletters: IFRS for SMEs Update, No. 2, London.
- BARKER, P., NOONAN C., 1995: *Small company compliance with accounting standards: The Irish situation*, The Institute of Chartered Accountants in Ireland.
- DEMARTINI, P., 2005: *Accounting Harmonization for European Small Business*, Quaderni di Economia Aziendale (Working Papers), Urbino.
- EFrag, 2009: A letter to the European Commission specifying the requirements of IFRS for SMEs that has been assessed to be incompatible with the EU Accounting Directives.
- EUROPEAN COMMISSION, 2001: *Company Taxation in the Internal Market*. COM(2001) 582 final.
- EUROPEAN COMMISSION, 2005: *The Contribution of Taxation and Customs Policies to the Lisbon Strategy*. COM(2005)532 final.
- EUROPEAN COMMISSION, 2010: *Summary Report of the responses received to the Commission's Consultation on the Internal Financial Reporting Standard for Small and Medium-sized Entities*.
- NERUDO VÁ, D., BOHUŠOVÁ, H., 2008: *The empirical study of the SMEs position in the process of IFRS for SME application in the Czech Republic*. Ekonomika a právo, pp. 157–162. ISSN 1822-6515.

### Address

doc. Ing. Hana Bohušová, Ph.D., Ústav účetnictví a daní, Mendelova univerzita v Brně, Zemědělská 1, 602 00 Brno, Česká republika, e-mail: hana.bohusova@mendelu.cz

