

## **Abstract**

The rigorous thesis deals with an analysis of the Czech accounting framework and its embedding into the context of the European accounting law and the International Financial Reporting Standards. At the same time it follows both the general level of existing differences, and their concrete effects. Primarily, the goal of this thesis is to present the differences in accounting procedures as well as in the general accounting concept. Alongside the thesis evaluates the consequences of these differences presently and in the near future. The thesis consists of a preliminary chapter and four main sections.

The preliminary chapter concerns modern accounting theory, whereas addressing also accounting regulation and the facts which cause dissimilarity of accounting systems in the world.

The second section follows present status of the legal accounting framework in the Czech Republic. It describes primary accounting rules of law and then reports a summary view in the final assessment.

The following chapter presents the European accounting law, and simultaneously devotes itself to the International financial reporting standards (IFRS). Both regulations are analyzed relatively closely for reasons of giving a complex view of their development and present situation. The conclusion of the chapter mentions brief outline of the American Generally Accepted Accounting Principles, mainly due to its international influence, and above all due to cooperation of authors of these principles with bodies of IFRS.

In the fourth section of the thesis there are actual differences between Czech accounting framework and IFRS displayed, specifically on the general as well as concrete level.

The final chapter reveals and evaluates total effects of these differences on the Czech Republic, whereas individual consequences are presented in a specific example of Interhotel Olympik, Inc. Similarly we can find a prediction of possible procedures of the Czech Republic prior to the acceptance of the IFRS.

The conclusion of the thesis lists pros and cons of the International Financial Reporting Standards, emphasizing the positive potential impact on the Czech Republic in case of their acceptance, not omitting the need for existence of a standard for small and medium enterprises.