

THESES

1. Hungarian accounting law – following international accounting standards (US-GAAP, IAS/IFRS) – lays down the basic principles item by item, as opposed to German accounting law, which features these principles only partially and in an implicit manner. However, both national accounting systems tend to avoid – contrary to international accounting recommendations – the organization of basic principles in a clear system of hierarchy. Lacking this hierarchy the presentation of the various economic events in the form of accounting statements may result in significant differences both within the two national accounting systems and between them, as well – also as compared to presentation according to international accounting standards -, which makes uniform international business evaluation quite difficult.
2. The criteria of accrual and deferral, the principles of valuation and the procedures applied with respect to assets and liabilities result in different accounting and balance sheet figures, depending on whether Hungarian, German or international regulations are being observed. The contents, value and structure of a company's assets featured in its balance sheet also in a lot of instances differ in the statements reviewed.
3. The value of after-tax profits is substantially different as a result of differences in the interpretation of accounting principles and the accrual, deferral and evaluation of assets and liabilities, depending on whether the P&L statement is prepared in compliance with Hungarian accounting law, German accounting regulations or international (US-GAAP, IAS) standards. Within the P&L statements there are several differences also with respect to the contents of the various profit/loss categories and rows. The presentation of the distribution of profits in the statement and the details of the information provided in connection with it are also different in the different national accounting statements and in European and US international accounting regulations.
4. The cash flow stated in compliance with Hungarian accounting law provides a figure different from the cash flow figure derived in compliance with the German and international (DRS, US-GAAP, IAS) standards. The interpretation of the individual cash flow categories, and together with that also their relative value, is substantially different in each case.