

Reporting of intangible assets in digital economy

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Abstract

Purpose of the article Companies striving to succeed within the global world markets and digital economy need to report their results using methods that are concomitantly used by others. In today's global economy value is often created by intangible assets that arised from intellectual capital. The accounting standard setters try to meet the challenge of recognition and reporting the results of knowledge-based entities.

Methodology/methods This article is based on analysis and comparisons of relevant literature resources, mainly articles and conference papers, but also legislative acts and monographs.

Scientific aim The problems relating to the accounting for intangibles are international in scope. In harmony with the trend of the growing share of intangible assets in the overall assets of the company it is also very desirable to achieve international comparability of the companies' economic results.

Findings This paper briefly reviews existing national Czech, Slovak, United Kingdom and United States accounting legislation and standards in comparison with International Financial Reporting Standards. Some inconsistencies are highlighted, and evidence is provided that suggests that recognition of intangible assets is in accordance with existing accounting principles.

Conclusions The reported differences may then affect the manner in which the level of company efficiency is reported, particularly when using traditional methods of share indexes of profitability.

Keywords: accounting, reporting, intangible assets, global economy

JEL Classification: M41

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