University of Economics, Prague

Faculty of Finance and Accounting

Study programme "Finance and Accounting"

Master Thesis Evaluation

Supervisor form

Student name:	*Ming Xu*
Title of the thesis:	*IFRS adoption and its influence on capital market in transition countries: The case of China*
Year of the defence:	*2018*
Supervisor name and affiliation:	*David Procházka* *Department of Financial Accounting and Auditing*
Reviewer name and affiliation:	*Marcela Žárová* *Department of Financial Accounting and Auditing*

THESIS CONTENT SUMMARY:

The thesis deals with the accounting harmonisation through the adoption of International Financial Reporting Standards. The theoretical section of the thesis explains the reasons for and background of IFRS adoption around the world with the focus on transition countries. The empirical part analyses the impact of IFRS adoption on a sample of Chinese listed companies.

OBJECTIONS AND REMARKS:

Firstly, the objective of thesis is weakly developed. A deeper literature review of empirical studies investigating the economic consequences of IFRS adoption is missing, despite already available evidence shows heterogeneity in benefits and costs of IFRS adoption. Especially emerging and transiting countries struggle reaching benefits because of lacks in institutional framework and insufficient reporting incentives of companies.

Secondly, the analysis of Chinese experience is the most valuable part of the thesis. However, the sample of companies investigated could have been larger to obtain more reliable results.

Thirdly, there are some inconsistencies in formatting (chapter headings, reference style).

QUESTIONS FOR THE DEFENCE:

How many Chinese companies are approximately listed abroad? What are the main incentives and restrictions to Chinese companies when they decide about being listed abroad?

ASSESSMENT:

Criterion	Excellent	Very good	Good	Insufficient
Aim formulation and fulfilment	☐	☐	☒	☐
Work with literature	☐	☐	☒	☐
Methods and data used	☐	☒	☐	☐
Results and their discussion	☐	☒	☐	☐
Formal aspects	☐	☐	☒	☐

Proposed overall grading: *3 - Good*

Prague 29 May 2018

Signature