

**Name: Valuation of non-cash contributions in the German start-up balance sheet according to the German commercial Code, Austrian Commercial Code and International Financial Accounting Standards**

**Author: PhDr. Andreas Laux**

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**1. Scientific contribution and originality of the work**

The current economic crisis puts higher demands on companies' management with financial resources. In this time governments of individual countries should make such laws and norms that would allow easier management of companies. This statement obviously applies to the accounting legislation based on International Financial Reporting Standards (IFRS).

The reviewed text of the doctoral thesis deals with one of the area of the IFRS issue. The topic of the doctoral thesis is properly selected, is topical and corresponds to the field of study.

**2. Setting the aim and extent of its fulfilment**

The aim of the work and its contribution should be „...from the theoretical point of view, the work on ascertaining whether there should be a uniform valuation of non-cash contributions on company start-up and the recommendation of an ideal valuation method contributes to the standardisation of reporting standards of German companies by formulating a legislative proposal” and “...a practical benefit from this work is that the subscriber has legal certainty regarding the valuation of the non-cash contribution and that he need not spend a lot of time and effort in determining the acquisition costs. There would also be less work involved for analyst of the annual financial statement, for example in the bank rating. Another benefit would be greater international comparability of reporting standards.<sup>1</sup>

The abstract of the doctoral thesis is concise and corresponds to the content of the work<sup>2</sup>.

The doctoral thesis is divided into ten parts including introduction, conclusion and bibliography. The text has 205 pages<sup>3</sup>, however, it is rather austere regarding tables and graphs that could properly illustrate solved issue.

The given aim of the work is relevant regarding the degree of the qualification work. According to my opinion, the aim of the work was accomplished.

**3. Suitability of applied methods, methodology, formal adjustment**

The author presents his methodology and used methods in the second, the third and especially the fourth chapter of the doctoral thesis. The author chose description, deduction and induction as the main general scientific methods; he also uses basic mathematical and statistical methods. Methods of the work are suitably chosen and are appropriate and probably sufficient for the given research, but I would expect more detailed description for what and at what stage of the research these methods were used and why.

The author did not determine any classical hypothesis for filling the objectives of the doctoral thesis and the methodology of work is generally implied in a modest way<sup>4</sup>.

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<sup>1</sup> Page 21 of the dissertation.

<sup>2</sup> Unnumbered page 4 and page 5 of the dissertation.

<sup>3</sup> Including references.

The doctoral thesis is written at a quality level by a professional, but not complicated language.

The work has 15 attachments, which are certainly linked to the text of the work and are useful.

Bibliography, which includes 146 titles altogether (without legislative regulations), indicates author's interest in this topic.

#### **4. Evaluation of the knowledge base**

The fifth chapter ("Definitions") represents the theoretical background of the doctoral thesis, which contains the definition of work terms needed for further investigation of the author.

The theoretical background of the work forms a suitable base for the application part of the doctoral thesis.

#### **5. Application contributions of the work for practice**

The sixth chapter up to eight chapter of the work represents the contribution of the doctoral thesis for practice („Discussion of Various Valuation of Notional Costs of Acquisition”, “Effects of Various Valuations of Notional Costs of Acquisition Using Case Studies” and “Decision for Valuation According to Notional Costs of Acquisition Using Utility Analysis Model According to Zangemeister”), the author outlines his proposals based mainly on the transparency of the valuation of assets in these chapters.

I consider mainly the case studies<sup>5</sup> from the seventh chapter of the work as valuable from the perspective of the author's research. The presented results of the doctoral thesis can be accepted.

#### **6. Questions for the author during the defense of doctoral thesis**

a) The author claims that "the valuation of non-cash contributions during establishing the company" is routinely treated by the law in the EU countries, however, he refers only to Austria. Therefore, did the author examine also other countries?

b) Wherein does the author see the "scientific element" of the valuation of non-cash contributions by an equivalent market value (real value)? What is the theoretical foundation for this modification?

#### **7. Final evaluation**

Regarding the degree of the expertise of doctoral thesis, and the fact that the aim of the work was fulfilled, I **recommend the defense of doctoral thesis**, and in the case of its successful course **I recommend the Ph.D. degree for the author - PhDr. Andreas Lauxe.**

Ostrava 19/11/2014

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<sup>4</sup> Practically only by setting the partial aims on page 21.

<sup>5</sup> Five case studies in total with summary of the results of the case studies.