



Continental European accounting model and accounting modernization in Germany

Andreas Hellmann  , Hector Perera ¹  , Chris Patel ²  

Show more 

 Outline |  Share  Cite

<https://doi.org/10.1016/j.adiac.2013.02.002>

[Get rights and content](#)

Abstract

Classification techniques based on one or few dimensions are widely used in research studies and textbooks to explain and predict the development of accounting systems internationally. However, their usefulness in international accounting has been limited in today's globalized world. For example, in the context of the EU, IFRS are required for consolidated accounting, while national accounting systems continue to be the dominant system for unconsolidated accounting in many countries. Using Germany as a case study, the objective of this paper is to examine whether Germany can still be classified within the Continental European model of accounting following the Act to Modernize Accounting Law (*Bilanzrechtsmodernisierungsgesetz* — BilMoG), which was promulgated on May 29, 2009. This Act introduced some major reforms to the German Commercial Code (*Handelsgesetzbuch* — HGB), such as removing the close connection to tax rules and introducing new recognition and valuation regulations, which changed traditional principles of orderly accounting (*Grundsätze ordnungsmäßiger Buchführung*). As a result, the current German approach of financial reporting separates Germany from the traditional Continental European model of accounting and moves it somewhere on a spectrum between the traditional Continental European model of accounting and the Anglo-American model of accounting.

 Previous

Next 

Keywords

Convergence; German Commercial Code (*Handelsgesetzbuch*); International Financial Reporting Standards; Act to Modernize Accounting Law (*Bilanzrechtsmodernisierungsgesetz*); Classification of accounting systems

Cited by (12)

[Foreign-language effect and professionals' judgments on fair value measurement: Evidence from Germany and the United Kingdom](#)

2021, Journal of Behavioral and Experimental Finance

[Show abstract](#) ✓

[The adoption of International Financial Reporting Standards in a non-colonized developing country: The case of Nepal](#)

2014, Advances in Accounting

[Show abstract](#) ✓

[Modeling of strategic accounting of counterparties in the management of tour operators' activities](#)

2021, E3S Web of Conferences

[Accounting and economic aspects of client management at service enterprises](#)

2021, Lecture Notes in Networks and Systems

[Accounting management model of agribusiness: Engineering tools for accounting and analysis](#)

2020, E3S Web of Conferences

[Digital accounting and management of economic processes in the agricultural sector](#)

2019, IOP Conference Series: Earth and Environmental Science



[View all citing articles on Scopus](#)

¹ Tel.: + 61 2 9850 4762.

² Tel.: + 61 2 9850 7825.

[View full text](#)

Copyright © 2013 Elsevier Ltd. All rights reserved.



