

German Accounting

A Guide for Students and Professionals

by

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Preface

“Accounting is the language of business.”

WARREN BUFFETT

Until now, there were hardly any textbooks dealing with accounting according to the **German Commercial Code (HGB)** in (British) English. We have taken up the challenge and have now written one based on the 7th edition of the textbook by *TORSTEN MINDERMANN* and *GERRIT BRÖSEL* “Buchführung und Jahresabschlussstellung nach HGB” (Bookkeeping and preparation of annual financial statements according to the HGB). And we have found out: It was really a **challenge!** The original was streamlined in some chapters and expanded in many sections to ensure comprehensibility. The biggest challenge, however, was to find a uniform and comprehensible language, because numerous specialist dictionaries contradict each other here. We think **the result is something to be proud of.** Now we look forward to your verdict!

This textbook teaches the basics of bookkeeping and the preparation of annual financial statements according to HGB in a **compact, clear and application-oriented** manner. Special attention has been paid to the didactic preparation of the learning content. With this in mind, numerous examples, repetition and in-depth questions as well as exercises and a sample exam (with solutions in the appendix) have been integrated into the book. In addition, a clearly arranged index enables a targeted search for specific aspects. A highlight is a small “dictionary” within the most important technical terms.

For a better overview, the following symbols are used in relation to the different didactic tools:



for exercise within a chapter, the solutions of which can be found at the end of the textbook,



for repetition and in-depth questions for understanding, which also point to important learning objectives for the respective (completed) chapter,



for (further) literature references,



for important mnemonics.

The textbook is primarily aimed at **students of economics** who (have to) attend English-language courses in accounting or bookkeeping and financial statements at universities, universities of applied sciences or other public or private educational institutions. Due to its didactic orientation, however, the textbook is also excellently suited for self-study and for “refreshing” the teaching content for **professionals in enterprises, especially for expatriates posted to Germany, and for supporting the topic of “accounting” in the content of commercial training.**

The **legal framework conditions from 2021/07/01** are taken into account. However, “pandemic-related” tax changes, which are expected to be temporary, are abstracted from. Due to the book’s orientation towards the HGB, you should not work through the textbook you are currently holding without an up-to-date legal text. Unfortunately, no official translation is currently available. However, we recommend that you use to the excellent translation provided by the Chair of Business Administration and Business Taxation at Heinrich Heine University in Düsseldorf:

(<https://www.steuern.hhu.de/aktuelle-meldungen/neue-arbeitshilfe-hgb-in-englischer-sprachfassung>)



Our special thanks therefore go to Prof. Dr. *GUIDO FÖRSTER* (Heinrich Heine University Düsseldorf) for his suggestions and advice as well as his willingness to discuss. We would also like to thank Mr. *YANNICK STEIN* for his assistance with the translation and the publisher “*ERICH SCHMIDT VERLAG*” for the very pleasant cooperation.

Criticism, suggestions for improvement and other comments are always welcome. Please send them to:

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Düsseldorf, July 2021

GERRIT BRÖSEL
CHRISTOPH FREICHEL
TORSTEN MINDERMANN

PS: As date format we use in the book: **yyyy/mm/dd** for the year (yyyy), month (mm) and day (dd).

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