

# A Study of Accounting System Reformation in China

**Wei Wei**

Graduate School of Business Administration

University of Hyogo

The purpose of this paper is to examine the reformations of accounting system in China by focusing on the following events, the introduction of Accounting Standard for Business Enterprises-Basic Standard (ASBE 1992) in 1992, the announcement of discussion memorandums of Specific Accounting Standards from 1994 to 1996, the promulgation of Specific Accounting Standards from 1997 to 2001, the enactment of Accounting System for Business Enterprises in 2000, the revision of Accounting Standard for Business Enterprises-Basic Standard (ASBE 2006)

and Specific Accounting Standards (SAS 2006) in 2006.

First of all, I examine the background that ASBE1992 was introduced. And then, I divide the time span over 1992-2009 into four specific terms based on the accounting system reformations, that are, 1992-1996 (1<sup>st</sup> term), 1997-2000 (2<sup>nd</sup> term), 2001-2005 (3<sup>rd</sup> term), and 2006-2009 (4<sup>th</sup> term). Next, I demonstrate the accounting regulatory system during each period. Finally, I describe the earning view during each period and the factors which have brought the change on earning view.