

A BRIEF REVIEW OF CREATIVE ACCOUNTING LITERATURE AND ITS CONSEQUENCES IN PRACTICE

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ABSTRACT: Our research has as main objective a short review of the aspects approached at the European level regarding the role that creative accounting plays in the life of an enterprise. In order to achieve our goal, we have analysed approximately 40 academic articles indexed in international database, such as Science Direct, Emerald and ProQuest. We have used a longitudinal classification of the selected articles, studied between the years 1999 and 2009; we have tried, also, a classification of these papers according to the most frequent debating themes.

In the end of our research, we have formulated our own conclusion,, that there is no unanimously or unifying accepted theory at the international or European level regarding what is, what the creative accounting represents or which are its basic principles.

Key words: creative accounting, financial scandals, financial reporting

JEL codes: M41, M14, G34