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JAPAN ACCOUNTING ASSOCIATION

Japan Accounting Association.

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Japanese ACCOUNTING FORUM 2009
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PREFACE

Japanese ACCOUNTING FORUM of Japan Accounting Association (JAA) is published annually to publicize academic activities of JAA in English.

The first issue of *Japanese ACCOUNTING FORUM* was published in 1993. This edition for 2009 is the 17th issue of *Japanese ACCOUNTING FORUM*.

This issue contains the summary of presentations at the 67th Annual Conference of JAA which was held at Rikkyo University in Tokyo on September 8-10, 2008. It also includes the reports of regional activities of JAA during the 2008 academic year.

I sincerely hope that *Japanese ACCOUNTING FORUM* serves the readers to better understand the activities of JAA.

Kazuo Hiramatsu

Chairman of the International Committee and
Managing Editor of Japanese ACCOUNTING FORUM,
Japan Accounting Association

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No. 17, 2009

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2008 Annual Conference of JAA

Report

2008 Annual Conference

Chairman of 2008
Annual Conference
Hideitsu Ohashi
Rikkyo University

Program

The 67th Annual Conference (2008) of the Japan Accounting Association was hosted by Rikkyo University in Tokyo from September 8-10, 2008. The main theme of the conference was “The Succession and Progress of Accounting Study against Globalization”.

On September 8, meetings of the Council and the General Assembly of Membership were held, and soon after those events, two Study Group research reports and three reports by Committees, that is, one Special Subject Committee research and two Special Committee research reports were presented.

On September 9, before the sessions of the main theme, concurrent sessions were held. In addition to those, we had two Special Programs. One is the report that was devoted to invited presentations by the researchers of the Korean Accounting Association and another is sponsored by Accounting Standards Board of Japan. At the session of the main theme mentioned above, three plenary sessions were held.

On September 10, before the panel discussions of the plenary sessions, concurrent sessions were held. There were many reports on various themes were presented by the members. After that, the panel discussions of the three plenary sessions were held very actively.

A banquet was held in the evening at the Metropolitan Hotel. Six hundred members and nonmembers enjoyed the friendly party. During these days of sessions, one thousand and one hundred participants attended the meeting and actively participated in discussions. The conference of this year was a great success.

The schedule of the conference was as follows:

Event	Date and Time	Venue
Screening Committee for Awards Meeting of the Board of Directors	Sep.7 11:30 to 15:00 15:00 to 17:30	Rikkyo University
Meeting of the Council Meeting of the General Assembly of Membership Study Group Reports Special Subject Committee Report Special Committee Reports Banquet	Sep.8 10:00 to 12:00 13:00 to 14:30 14:40 to 15:20 15:30 to 16:10 16:15 to 17:40 18:30 to 20:30	Rikkyo University Metropolitan Hotel
Concurrent Sessions Report by Korean Accounting Association Plenary Sessions 1 The Succession and Progress of Accounting Study in Globalization 2 The Continuity or Non-Continuity of Japanese Management Accounting 3 Auditing Study against Globalization — the Response to the New Study on the Auditing ASBJ Session	Sep.9 9:50 to 12:00 9:55 to 11:40 13:00 to 15:10 15:40 to 17:10	Rikkyo University
Concurrent Sessions Panel Discussions 1 The Succession and Progress of Accounting Study against Globalization 2 The Continuity or Non-Continuity of Japanese Management Accounting 3 Auditing Study against Globalization — the Response to the New Study on the Auditing Memorial Lectures Farewell Party	Sep.10 9:50 to 12:00 13:00 to 15:00 15:30 to 17:20 17:30 to 19:00	Rikkyo University

2008 Annual Conference of JAA

Plenary Session 1: The Succession and Progress of Accounting Study against Globalization

Paradigm Changes in Accounting Standards

Akiko Fujita

Meiji Gakuin University

In this presentation, we proposed an analytical review of paradigm changes in accounting standards during the second half of the 20th century. Several arguments in favor of reforming these paradigms were also summarized and assessed critically.

From the late 1960's, a large number of these arguments were related to accounting measurement. Some authors argued recently that the theoretical basis underlying accounting standards had changed from a revenue-expense approach based on historical cost into an assets-liabilities approach based on fair value; in this regard, they insisted on the usefulness of historical cost for the matching principle.

Focusing on measurement issues, we analyzed to what extent changes in accounting theory from Littleton to FASB's statements - including Edwards & Bell, Sprouse & Moonitz, Chambers among others - contributed to its development or created new issues.

After reviewing the traditional paradigm, we pointed out that historical cost provided a consistent measurement basis since objects and means of measurement adopted a similar point of view. In other words, investments (objects) are assessed at the historical cost incurred by the outflow of invested resources (means). Then, we discussed changes in what is to be measured and how it should be measured in the frame of the new paradigm.

Role of Legal Financial Accounting

Akihiro Noguchi

Nagoya University

The word “legal financial accounting” became popular in Japan at the beginning of 1970s, when Commercial Code was amended and the role of Business Accounting Principles was under controversy. Even now, it is the main stream of the accounting research in Japan. Based on the theory, empirical or experimental researches have to be conducted, and the results of those researches should be reflected in accounting rules and regulations to make the society better, which is the role of legal financial accounting.

In Japan, Company Law was enacted by amending the Commercial Code in 2006. The law does not necessarily reflect the distinction between paid in capital and retained earnings when calculating the amount available for dividends. It became necessary to explain the reason for that distinction. It became necessary to reconsider how to protect creditors.

International convergence of accounting standards will change Japanese legal financial accounting research. The results of the researches must have impact on the discussion in London. Research papers should be written in English and published in the international journals. English became crucial, not only for Japanese accountants, but also for Japanese professors.

Framework of Capital Market Research

Takashi Obinata

University of Tokyo

The first purpose of this paper is to show the framework of capital market research and to investigate the interaction between the theoretical works and empirical research. Both commonly share GAAP and the underlying basic concepts. However, the originality of 'Japanese' empirical research may decrease under the age of 'Convergence'. Researchers should pay more attention to the research theme and design than ever. Education and instruction for Ph.D. candidates and for young researchers will play a vital role.

Based on these sense of crisis, the second purpose of this paper is to compare the usefulness between net income and comprehensive income. The samples are collected from the U.S market. The results by SUR (seemingly unrelated regression) show the following evidence. Although net income is more persistent than comprehensive income in one year, the persistence of comprehensive income is higher than net income in another year. We cannot support the claim that one is always more persistent than another. Inconsistent with prior expectation, comprehensive income is not always more timely than net income. We cannot detect the significant difference in the conservatism between net income and comprehensive income. The value relevance and price informativeness of net income is not significantly different from those of comprehensive income. We cannot find the strong evidence, which support the insistence that one is superior to another. These empirical results will make an important contribution to the setting of accounting standard for performance reporting.

The Significance and Limitation of Experimental Accounting

Hidetoshi Yamaji

Kobe University

2008 Annual Conference of JAA

Plenary Session 2: The Continuity or Non-Continuity of Japanese Management Accounting

The Trend and Future of Management Accounting Research in Japan: A Bibliographic Study

Eisuke Yoshida

Keio University

This article has two parts. The first part reviews the state of research in management accounting as evidenced by 774 articles published in Japan from 1980 to 2007 in four leading journals: *Genka Keisan Kenkyu* (Journal of Cost Accounting), *Kaikei* (Accounting), *Kaikei Progresu* (Accounting Progress), *Kanri Kaikei Gaku* (Journal of Management Accounting Research, Japan). During this period new topics were investigated, new journals came into existence, and different research methods and sites were emphasized. To chart the field we split the 28-year period into three decades and then compare the kind of topics studied, the research sites investigated, the research methods used, and the source disciplines employed. As the results, first, the source disciplines based on much Japanese management accounting article's focus were not clear. Second, diversity of the research methods was not enough. Third, many articles were normative. The second part focuses on a function of management accounting as tension management. We propose a framework for management accounting research, which focuses on a concept of dynamic tension.

Panasonic's Management Accounting Reforms: Continuity/Discontinuity and Globalization

Sumitaka Yoshitomi

Corporate Accounting Group, Panasonic Corporation

In 2003, Panasonic enforced drastic management system reforms, including a shift from our traditional product-based divisional management system to globally consolidated management by business domain accompanied with the introduction of a new overseas share investment system and a consolidated dividend system by business domain.

To put our unwavering management philosophy into practice in an ever-changing environment, we must reform our business management methods on a discontinuous basis. It is also important to retain support for the changes at workplaces in continuity with the past context to ensure effective reforms at operation sites. Panasonic's management system reforms were completed very rapidly for the following reasons: Problems with the divisional system had been widely recognized within the organization; the new management system matched our company's traditional business values; and performance evaluation criteria were set to facilitate frontline management while remaining true to the existing management systems.

Effective information infrastructures and systems are important to success in operating global-scale business. At the same time, it is also essential to share corporate philosophy and culture as implicit understanding throughout the company. At Panasonic, the presence of a unique accounting personnel management system to maintain authority over all accounting members, and of corporate accounting rules to serve as a 'bible' to them, played decisive roles in allowing the new policy and rules to be fully understood and implemented worldwide.

On the Reflexive Relationship between Practice and Research in Management Accounting

Norio Sawabe
Kyoto University

Management accounting research is both normative and empirical. Management accounting often establishes itself as a social institution that defines what is right to do in a certain situation. Empirical management accounting research, regardless of original authors' intentions, contributes to legitimize some management accounting practices over others when it describes best practices of excellent companies. Management accounting research has reflexive relationship with what it tries to describe and analyze.

When this reflexivity between management accounting research and practice is acknowledged, it becomes apparent that conventional scientific approach, which is based on the assumption that the observer and the observed are methodologically independent to each other, provides partial picture at best. Furthermore, management accounting practices have emergent properties that are local and concrete, while scientific management accounting research seeks truth that is universal and abstract. There is a need to appreciate the significance of reflexive relationships between scientific management accounting research and technical management accounting practices.

Phronetic approach is proposed by Flybjerg (2001) and Nonaka & Tohyama (2005) that shed lights on the knowing processes where scientific knowledge is integrated with technological knowledge. It is contended that case based research should be deployed in line with phronetic approach in order to capture the reflexive nature of management accounting research and practices. Valuable starting point is obtained for management accounting researchers by modifying "scientific enterprise model" proposed by Roethlisberger (1977) and introduced to management accounting research by Kaplan (1986) where "clinical knowledge" as link between scientific knowledge and practical knowledge.

Flybjerg, B. (2001) *Making Social Science Matter*, Cambridge, UK: Cambridge University Press.

Kaplan, R. (1986) "The Role for Empirical Research in Management Accounting," *AOS*, 11(4/5): 429-452.

Roethlisberger, F. J. (1977) *The Elusive Phenomena*, Cambridge, Mass.: Harvard University Press.

Examining Accounting Research under Globalized Socio-Economic Conditions

Tomo Suzuki

Saïd Business School, University of Oxford

One often misunderstands that mutual understanding of international matters, accounting problems or otherwise, can be effectively communicated by a single common language which functions as an efficient mediator between different cultural and socio-economic communities. Accounting academia has witnessed such a myth in the proliferation of the so-called top journals such as *The Accounting Review* or *Accounting Organizations and Society*. Indeed, these top journals have become the powerful media and mode to efficiently convey facts and ideas across the globe. However, the informational vector in this process has never been bilateral or mutual. The knowledge created in this process is often seriously biased due to English as the common but value-infused epistemic foundation which gives Anglo-American and English-fluent academics dominant power in the creation of certain knowledge.

Simply put, how can we share the Japanese or any other locally-specific knowledge of accounting in the globalized socio-economy? Unlike Anglo-American countries, Japan embraces various forms of publication such as *Kiyo* (University based un-peer-reviewed) journals, quasi academic-professional journals and monographs which help academics approach various accounting problems in different frameworks on a timely basis. In order to challenge the Anglo-America centric knowledge and develop more democratic knowledge of accounting, there seems to be a need for an institutionally organised strategy which makes voices of Japan heard in the globalized socio-economic environment.

2008 Annual Conference of JAA

**Plenary Session 3:
Auditing Study against Globalization - the Response to the New
Study on the Auditing**

**On the Logic and Problems of a Review of
Quarterly Financial Statements**

Yoshihiro Inoue
Kagawa University

A review of quarterly financial statements is performed by the same independent auditor of the annual financial statements of the entity. Through performing the audit of the annual financial statements, the auditor obtains an understanding of the entity and its environment, including its internal control. This understanding assists the auditor in focusing the inquiries to be made and analytical and other review procedures to be applied. This system is a key to attaining the level of assurance that is required for the review.

However, what is the level of assurance that is required for the review? It is important to make it clear, for it determines the extent of auditor's responsibility. In order to do this, we need to understand the determinants of the level of assurance for the review. It is said that a major determinant of the level of assurance that can be provided is nature, timing, and extent of the procedures adopted by an auditor.

However, the important reasons for not giving a high level assurance for the review are not only the procedures adopted by the auditor but also the nature of quarterly financial statements.

The New Auditor's Report: To Update the ISAs (UK & Ireland) for the New 'Clarity ISAs'

Hidehiko Yamazaki
Senshu University

The purpose of this study is to clarify the differences between the form of the independent auditor's report in the ISAs (UK and Ireland) issued by the Auditing Practices Board and in the new 'Clarity ISAs' issued by International Auditing and Assurance Standards Board and to consider the possibility of the convergence of the ISAs (UK and Ireland) into 'Clarity ISAs'.

There are two major differences between the ISAs (UK and Ireland) and the new 'Clarity ISAs' about auditor's opinions. One is on the financial statements; another is on the information of the non-financial statements.

In UK, in some rare cases, management must depart from GAAP—IFRS—in order to preset the financial statements fairly. This is a so-called “departure clause”. Because of this clause, independent auditors express their opinion not only on the fairness of the financial statements but also on the compliance with GAAP. On the other hand, Clarity ISAs require independent auditors to express their opinion on the fairness of the financial statements in accordance with IFRS. This study suggests it is not likely that the ISAs (UK and Ireland) is adopted by Clarity ISAs on this point, because independent auditors are able to express unqualified opinion on the financial statements which are not complied with IFRS in some rare cases—in the event that a “departure clause” is applied.

In UK, independent auditors also express their opinion on director's reports and director's remuneration reports. There are some matters in question in such practices. For example, there is no standard about how to prepare these statements. This study suggests it is possible that the ISAs (UK and Ireland) are adopted by Clarity ISAs on this point.

Globalization and Audit Practice

Aiko Sekine

CPA

As a result of globalization, how has the audit practice changed? As a practitioner, I will provide an overview of the changes and offer my thoughts on how the auditor should respond in the future.

With the advent of globalization, the activities of many companies are not limited to one country or even one region; rather many companies operate in diverse markets and industries all around the world. However, since each country has a different system of market regulation, as well as influence of local language and culture, the accounting and auditing industry is also different. Under such a situation, coordination with the auditor of investment in other countries is necessary. At the same time, the accounting standards used for the investment in other countries are usually converted into the one used for parent companies.

On the other hand, investors would like to see the financial results of their overseas operations based on the accounting standards, which they usually use and are most familiar with. Therefore, if different accounting standards are used for certain investment, it would not be convenient for investors, and investors might ask to have a converted result based on their own accounting standards. Under the circumstances, the different accounting standards used in different countries would have much effect on each other.

As globalization continues, it would not be convenient to have different accounting standards in different countries. Therefore, the need to have converged international accounting standards is important. There also would be the need to the converged international standards on auditing.

Auditors should actively seek such convergence.

Globalization and Auditing Research
– Succession, Development and Open Issues –

Masahiro Yurino
Doshisha University

The independent audit system of Japan seems to be under the control of the Financial Services Agency now. Five years ago, the CPAs and Audit Corporations strongly impressed their power on Japanese society though they belong to private sector.

This system of the American type stood on the very edge as for abolition when the Occupation ended. The existence of “power” that did not want to establish the system was exposed, though it caused only the abolition of SEC as a result.

But, it was not because of no understanding about the essence of the audit by accountants. We can easily point out some important historical facts about one hundred ago. The necessity of Stock Market and Disclosure System as the infrastructure to promote the nation's economy was recognized clearly. In addition, “for the public” was emphasized as a feature of the Accounting Profession. Moreover, necessity of moving the audit authority to private sector from public sector was recognized.

However, the endeavor came to nothing. What’s wrong? I simply believe that the independent auditing system by Accounting Profession was hated by the “power”, that is both the business world and officialdom.

Recently, the importance of the accountability of both officialdom and the political world has come to be pointed out severely. On the other hand, the description of the accountability of the public sector has come to be performed to the textbook of the high school. I feel the symptom of change begins to appear.

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Special Committee

The Comprehensive Research on Accounting-Based Firm Valuation

Chair: **Hisakatsu Sakurai**

Kobe University

The purpose of this special committee is to investigate various issues of evaluating firm value based on accounting information. After having been extensively reviewing prior literature, we empirically investigate a number of research questions about accounting-based firm valuation. The final report includes very interesting topics as follows. In the first two chapters, we show that accounting-based firm valuation has actual usefulness because stock markets are not always absolutely efficient. In chapter three through six, we use accounting information to estimate firm value, and then examine empirical issues related to it. For example, we discuss how to select value-driver and comparable firms in equity valuation using multiples. We also report that residual income model has more advantages than other valuation models such as discounted cash flow model, and that net income is generally preferable to comprehensive income as an input of residual income model. In the remaining chapters from seven to thirteen, we consider practical issues to utilize residual income model. To estimate firm value based on it, investors have to predict future performance, accounting earnings and dividends, and the cost of capital. We provide many findings that have valuable implications for them.

Special Committee

A Study on Revolution of Financial Reporting

Chair: **Yoshikuni Hirose**

Waseda University

There appears to be many aspects needing improvement in the area of financial reporting processes. As “value drivers,” which determine enterprise values, gradually move to intangibles and Corporate Social Responsibilities, companies’ traditional financial information can now rarely explain their enterprise values. In order to enable

stakeholders to make an informed judgment or an informed decision, while eliminating information asymmetry, it is important to redefine financial reporting processes and other infrastructure, focusing on diversified disclosure issues and cost burden issues. In addition, it is also important for us to fundamentally reconsider how business accounting can or should address these various financial reporting issues. These are the issues and objectives of this Special Committee.

In our interim reporting, we identified the issues, objectives and perspectives of the Special Committee's study as well as fundamental assumption in the study.

We first analyzed our financial reporting processes based on various criteria such as measurement characteristics, functionalities, reporting channels, accounting units, public/non-public, intended users, reporting media, reporting periods, information characteristics, and sections and revealed what needs to be handed down and what needs to be changed. Then, we analyzed the relationship between our business accounting systems and financial reporting from historical perspective and revealed what needs to be handed down and what needs to be changed. Furthermore, we analyzed knowledge from financial reporting systems in Europe and the United States in detail in order to reveal what we need to learn from them for the future.

We also analyzed, from experimental study perspective, how timeliness and method of disclosure would impact the usefulness of financial reporting, surveyed preceding studies on the effects of implementation of electronic disclosure system, and pointed out necessity of similar studies in Japan. In addition, we drew a roadmap to experimental study on the usefulness of non-financial information under Japan's financial reporting environment, based on preceding studies on the usefulness of non-financial information.

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Subject Research Committee

Implementation and Development of Cost Accounting in Our Country: Literature Historical Research

Chair: **Koji Yamamoto**
Osaka Prefecture University

The purpose of this Subject Research Committee is to examine the role of the researcher and a man of business in the process of the implementation and development of cost accounting in Japan and to verify what kind of argument was done at that time based on literature historically.

A literature review was held by the analysis framework based on a logical stage of the implementation and development. We divided it into the following stages as “introduction, recognition”, “implementation, reception”, and “active adaptation”.

In the last year’s interim report, we considered the cost control function and the standard costing. These were taken away to the final report, Part I to III.

Then, as a point of arguments was spread to the strategic cost management, these contents were put together in Part IV “the development of the traditional cost management” and Part V “the foundation formation of the strategic cost management in our country”.

We took up the arguments such as a revision of the cost accounting standard, the influence of the governmental reports, direct costing, cost accounting of the service industry and the small and medium-sized enterprises, Value Engineering as a tool of Target Costing, the response of ABC and Quality Costing in our country.

Finally we mentioned the each role of researcher and a man of business. Especially the importance of the thing that the researcher must recognize a role expectation from the business was pointed out.

Study Group

A Study on the International Trends and Basic Concepts in Environmental Financial Accounting

Chair: **Masao Kawano**

Chuo University

The objective of this study is to clarify the possibilities and directions of environmental financial accounting in the Japanese context. For convenience's sake, environmental financial accounting can be defined as an area of accounting for the environment within the framework of financial accounting. To achieve this objective, first, we have researched the trends in theories, regulations and practices of environmental financial accounting, which have been studied by the international institutions and the other professional accountants' bodies in western countries. Second, we have tried to clarify the basic concepts underlying these trends in western environmental financial accounting through comparative studies.

As a consequence, we believe that environmental financial accounting trends will be promoted by the environmental financial accounting standards published by FASB, IASB and the like. Our survey clarifies the tendency that companies have been disclosing information related to soil contamination and the treatment of PCB wastes. However, this information has not been independently disclosed in the financial statements in terms of materiality. Therefore, more stringent environmentally-related accounting standards are required, so that the users of financial statements can understand the environmental aspects of a given company.

We also examined environmentally-related economic events such as asset retirement, soil contamination and emission trading as concrete issues in environmental financial accounting. From a consideration of these topics, we suggest that the notions of environmental assets and liabilities have been expanding.

As the approach for the recognition of assets and liabilities has been shifting from the revenue-expense approach (R/E approach) to the asset-liability approach (A/L approach), environmental expenditures have been increasingly recognized through the expanded interpretation of the increased-future economic benefits, and these expenditures are increasingly being capitalized as environmental assets. In line with asset recognition, environmental liability is increasingly being recognized depending on the A/R approach. As a result, we believe that the notion of environmental asset and liability will be developed further.

Even if environmental asset, expense and liability are disclosed in financial statements independently, environmentally-related non-financial information is still useful for the users who would like to make decisions using environmental financial information. Therefore, it is suggested that non-financial environmental information, such as emission volumes of carbon, should also be disclosed in the note to the financial statements or the other parts of any given annual report.

Study Group

Calculation Regulations of Companies Act

Chair: **Masamichi Yoshioka**
Tokyo University of Science

Introduction

The Japanese accounting system has consisted from the triple structure, that is, Companies Act Accounting, Financial Instruments and Exchange Act Accounting and Corporate Income Tax Accounting. Among the three Accountings, Companies Act Accounting occupies the core position of the accounting system in Japan. The purpose of the study group is to examine the calculation regulations of surplus dividend.

1. Japanese Accounting System

Under this kind of circumstances, Financial Instruments and Exchange Act Accounting prepares financial statements according to “Business Accounting Principles” and “Regulations of Financial Statements”. Because it has designed to disclose timely financial positions of companies to investors. However, Companies Act Accounting which prepares financial statements has two purposes to disclose information and to regulate surplus dividend. Though, Income Tax Accounting which prepares final return statements has to put a tax on the increase part of the net capital without transactions of owned capital. So, the regulation of surplus are essential to for Companies Act. Accounting

2. Regulations of Surplus Dividend

Companies Act Accounting regulates surplus dividend on the basis of deferred surplus profit. The profit is calculated by Financial Instruments and Exchange Act Accounting. The regulations of surplus dividend can make the source of surplus dividend including shareholders’ equity, and they weaken a capital

maintenance more restrict than Old Commercial Law. This having, the study group can say that the legal framework as protection of the creditors was lost. However, the creditors could make decision about their credits to companies by disclosing the statement of change in stockholders' equity.

Conclusion

As a result, Companies Act would make economic society equally applying the regulation of surplus dividend.

2008 Annual Conference of JAA

Regional Reports

Hokkaido Region

Yuji Yoneyama
Hokkaido University

The regional meetings were held in 2008 as follows.

1. The 73rd Regional Meeting at Otaru University of Commerce on May 17th, 2008.

- (1) “Status and New Directions in Balanced Scorecard Research”, Sakichi Otomasa, Otaru University of Commerce.
- (2) “A Study on the Audit of Internal Control over Financial Reporting in Japan”, Akira Kanie, Hokkaido University.
- (3) “On the Three Partition Method of Merchandise”, Kunitoshi Akiba, Hokkai-Gakuen University.

2. The 74th Regional Meeting at Doutokukaikan on November 22nd, 2008.

- (1) “Brief Overview on Audit Industry in Hokkaido Prefecture”, Nobuyuki Ishikawa, Hokuto & Co., Hokkaido University Accounting School.
- (2) “The Development of Accounting Information Systems Research”, Masahiko Sakai, Otaru University of Commerce.

Tohoku Region

Yoshio Hosaka
Tohoku Gakuin University

The Tohoku Region of the Japan Accounting Association covers the north eastern (Tohoku) area of the main land.

In 2008, following two meetings were held.

(1)The 74th Meeting at Tohoku University on May 24th, 2008.

- (1) “Informativeness of Income Smoothing as a Role of Accruals-Evidence from

SEC Standard Japanese Public Firms-”, Masumi Nakashima, Fukushima College.

(2) “The Origin of Accounting Standardization in France”, Teruo Kaneko, Aomori Public College.

(2)The 75th Meeting at Junior College of Aizu on November 1st, 2008.

(1) “A Study of Present Condition and Cost Information of Dental Clinic”, Koichi Mori, PhD Candidate, Graduate School of Business Administration, Ishinomaki Senshu University.

(2) “The Market's Reaction to the Going-Concern Information and the Role of the Going-Concern Audit in the Market”, Takuya Oikawa, Aomori Public College, Yoshio Ohashi, Junior College of Aizu.

Kanto Region

Masaaki Takamatsu

Meiji Gakuin University

The 56th regional meeting was held at Meiji Gakuin University on December 6th, 2008. The main theme of the meeting was “The Expansion of Disclosure and Its Influences on Accounting”. Discussions were coordinated by Kunio Ito, Hitotubashi University.

Following reports and panel discussions were presented.

(1) “Expansion and Issues of Financial Information Disclosure with Tagging Language XBRL”, Cindy Yoshiko Shirata, Tsukuba University.

(2) “Disclosure Level and the Residual Income”, Takashi Yaekura, Hosei University.

(3) “Retroactive Restatement of Segmental Information: A Study on the Case of Sony”, Seiki Sato, Meiji Gakuin University.

(4) “The Development of Disclosure System and Auditors' Judgments”, Yoshihiro Machida, Aoyama Gakuin University.

Chubu Region

Akihiro Noguchi
Nagoya University

The 117th Regional Meeting at Chukyo University on May 10th, 2008.

1. Fund, Capital and Capital Surplus in Accounting for Universities, Morihiko Umeda, Chukyo University.
2. Weakness of the Standard Costing in the Efficiency Management under the Line Production System, Hiroshi Ozawa, Nagoya University.
3. Market Reaction to the Introduction of Accounting for Impairment on Assets, Ichiro Mukai, Aichi Gakuin University.

1. The 118th Regional Meeting at Nagoya City University on July 12th, 2008.

- (1) “Strategy for Accounting Standards Setting by IASB”, Izumi Washizu, Chubu University.
- (2) “Measurement of Insurance Contract”, Junpei Ogawa, Nagoya City University.
- (3) “Financial Reporting by XBRL”, Hitoshi Abe, Chubu University.
- (4) “Accounting Standard Setting for Substance over Form”, Shigeho Nakayama, Toyohashi Sozo University.

2. The 119th Regional Meeting at Meijo University on December 6th, 2008.

Theme: Process Management and Accounting-from the perspectives of Manufacturing Management and Internal Control System-

Moderator: Makoto Kawada, Meijo University

- (1) “Process Management and Management Accounting”, Noriyuki Imai, Toyota Financial Services Corporation.
- (2) “TPS and Cost Management”, Shogo Kimura, Nagoya University.
- (3) “Income Smoothing and the Just-In-Time System in the Japanese Automobile Industry”, Michio Kunimura, Meijo University.
- (4) “Next Action Beyond Just Meeting the Statutory Requirements-From a Standpoint of Internal Control in the Manufacture Industry-”, Hiroyuki Kato, CPA.

Kansai Region

Tetsuo Ukai
Doshisha University

The 58th Kansai regional meeting was held at Doshisha University on December 13th, 2008. The main theme of the meeting was “How are interpreted the Present Accounting Practice? —Historical Cost Model, Fair Values Model, Mixed Attribute Model—”. The following three papers were presented and Prof. Norio Takasu (University of Hyogo) moderated the main session and their discussion.

- (1) “Present-day Accounting in Terms of Historical Cost Principle”, Yasuhiro Yamada, Shiga University.
- (2) “Issues in Applying Fair Value Accounting to Accounting Practice”, Naohiro Urasaki, Kinki University.
- (3) “A Study on an Accounting for mixed Attribute Model in Assets Measurement”, Satoshi Taguchi, Doshisha University.

Before the main session, we had three parallel sessions. Nine papers were presented at these sessions.

Kyushu Region

Chikako Ozu
Kyushu University

The Japanese Accounting Association (JAA) Kyushu regional congresses are regularly held two times a year – in August and March. This year, the summer congress was held at Kinki University, Iizuka campus and the early spring congress was assembled at Fukuoka University. The title, name of the presenters at each of the meetings are shown below:

1. The 82th meeting held at Kinki University on August 2nd, 2008.

- (1) “Some Issues on Statement of Changes in Equity”, Satoshi Akagi, Kyushu Sangyo University.
- (2) “Developing a Measurement Method of Time Efficiency Practice: Case Study Approach”, Tamiya Mizushima, Nakamura Gakuen University.
- (3) “Recent Movement on the Accounting Convergence”, Isamu Iwasaki, Kyushu University.

(4) “A Discussion on Tax Law and Business Accounting”, Tadashi Yuge, Kyushu Kyoritsu University.

2. The 83th meeting held at Fukuoka University on March 28th, 2009.

(1) “Financial Reporting of Non-Profit-Organization”, Shuzo Hino, Nakamura Gakuen University.

(2) “The PFI Accounting Standards and Its Recognition Process in the EU”, Keiichi Oishi, Kyushu University.

(3) “Some Issues on Revision of Local Public Accounting System”, Tatsumine Ito, Seinan Gakuin University.

(4) “An Analysis of Disparities between Earnings and Cash-flows”, Kouji Ishiuchi, Kurume University.