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International Workshop on Accounting
Based on the Memorandum Between
Kyoto University and Université Paris-Dauphine

November 16-21, 2014, Paris





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1. Financial Support

Grant-in-Aid for Education & Research of the Graduate School of Economics, Kyoto University, 2014.

2. Venue

Université Paris–Dauphine, Paris, France

3. Participants

Masashi Watanabe, Ph.D. Student

Natsuko Yokoyama, Ph.D. Student

Hideki Fujii, Prof. of Graduate School of Economics



Schedule

Nov. 16, Sun	AF291 12:15 Osaka-Kansai ~ 17:00 PCD Address in Paris Hotel Denfer Montparnasse 70, rue Daguerre, Denfert-Rochereau, 75014 Paris Tel : 01 43 22 07 02 http://www.hotel-saphir.net/	Hotel Denfer Montparnasse
17, Mon	Afternoon, Paris-Dauphine (may be on 18, Tue.) Meeting with Prof. J. Richard, Contact Person 1. Organization of the Workshop 2. Arrangement of the Memorandum	Hotel Denfer Montparnasse
18, Tue		Hotel Denfer Montparnasse
19, Wed	Afternoon, Paris-Dauphine International Students Workshop on Accounting Key Note Speech by Hideki Fujii 1. Masashi Watanabe, Ph.D. Student, Kyoto Univ. Comparability of Financial Information: Value Relevance of Stock Option Expense 2. Natsuko Yokoyama, Ph.D. Student, Kyoto Univ. Detecting Earnings Management through Income Taxes-Deferred	Hotel Denfer Montparnasse
20, Thu	AF292 13:35 PCD~	
21, Fri	09:20 Osaka-Kansai	



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November 19, Paris-Dauphine





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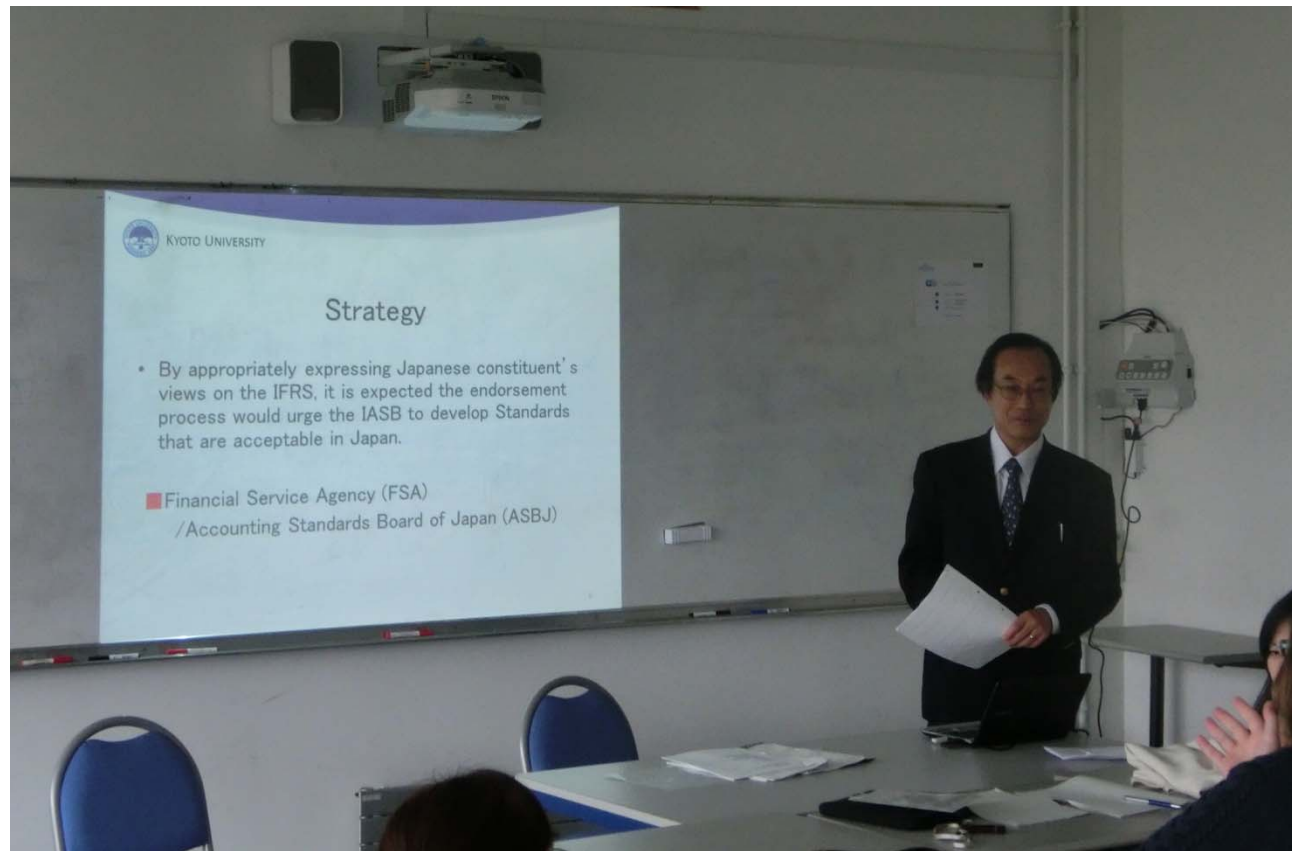
Workshop, Overview





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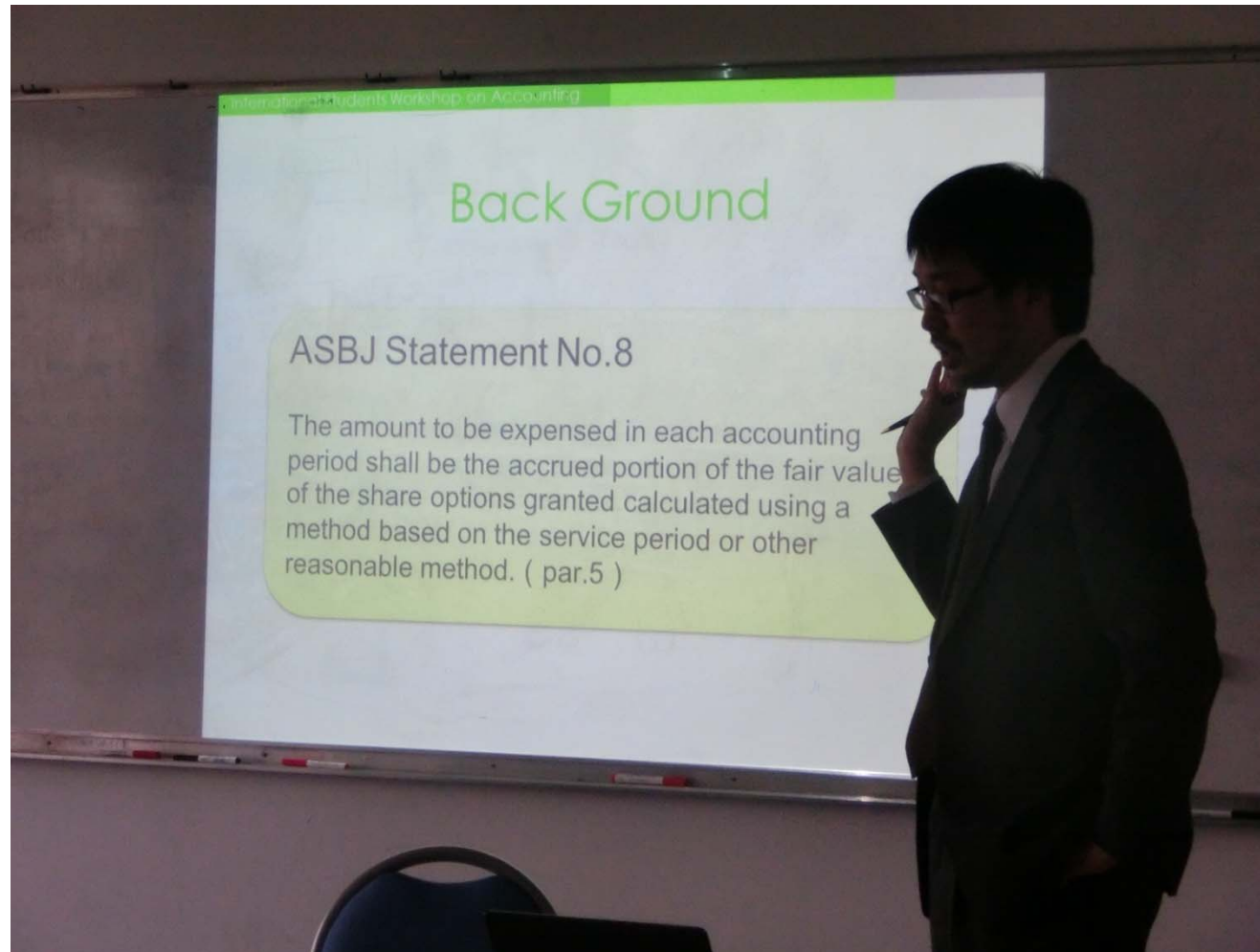
Key Note Speech by H. Fujii





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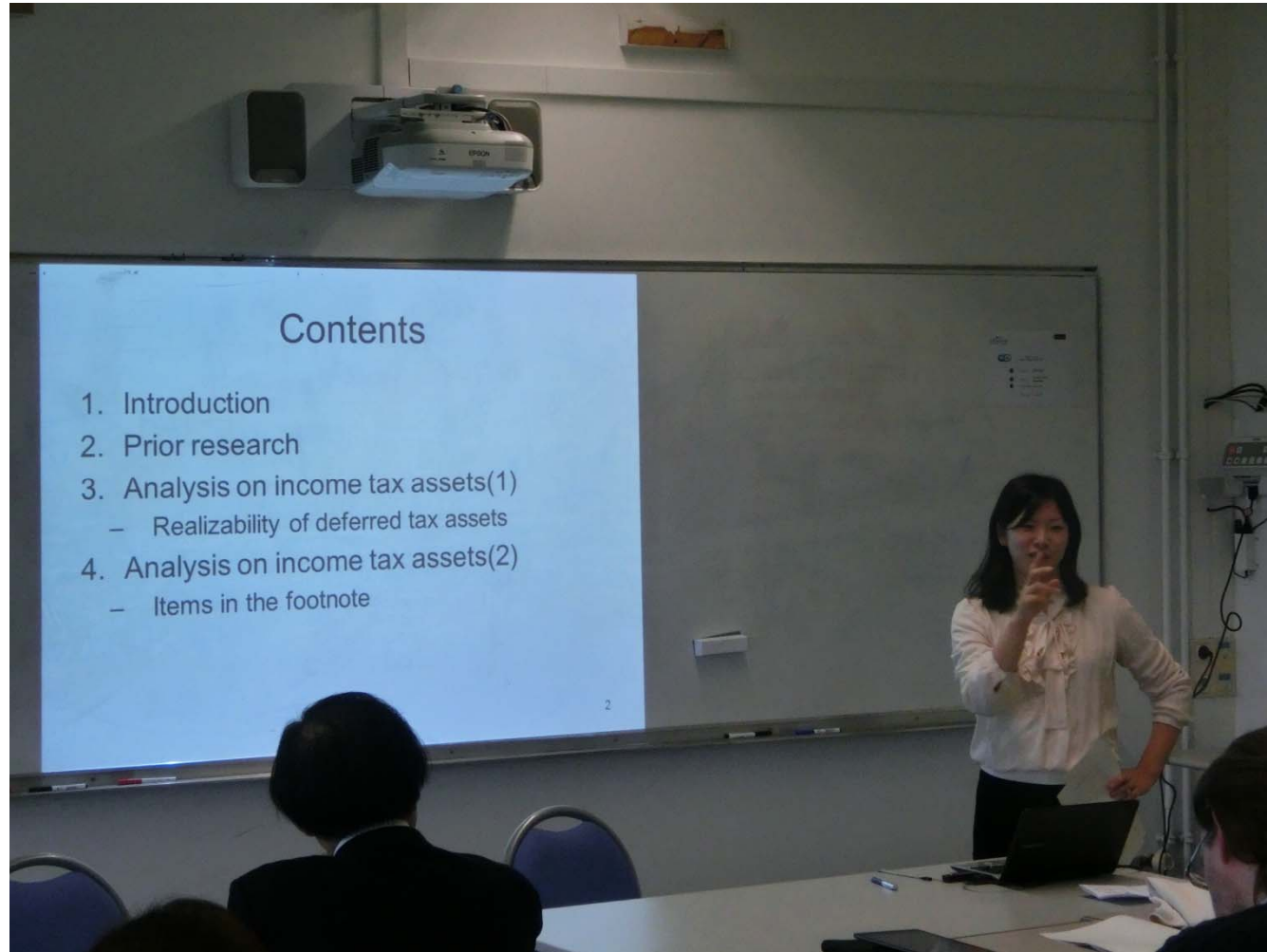
Presentation by M. Watanabe





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Presentation by N. Yokoyama





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After the Workshop, at the Etoile





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Avenue des Champs-Élysées





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Key Note Speech

Current Accounting Issues in Japan

With Special Reference to IFRS Adoption

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What's JMIS?

- Japan's Modified International Standards Accounting Standards Comprising IFRS and the ASBJ Modifications.



Purpose of JMIS

- To build up the number of entities voluntarily applying IFRS.
- One measure to introduce the process of endorsing IFRS.



Viewpoint of the FSA

- Beneficial from the viewpoint of enhancing the efficiency and the vigour of the global economy.
- Useful for Japanese entities in conducting their business activities and raising funds.
- Important for ensuring the international competitiveness of Japanese market.

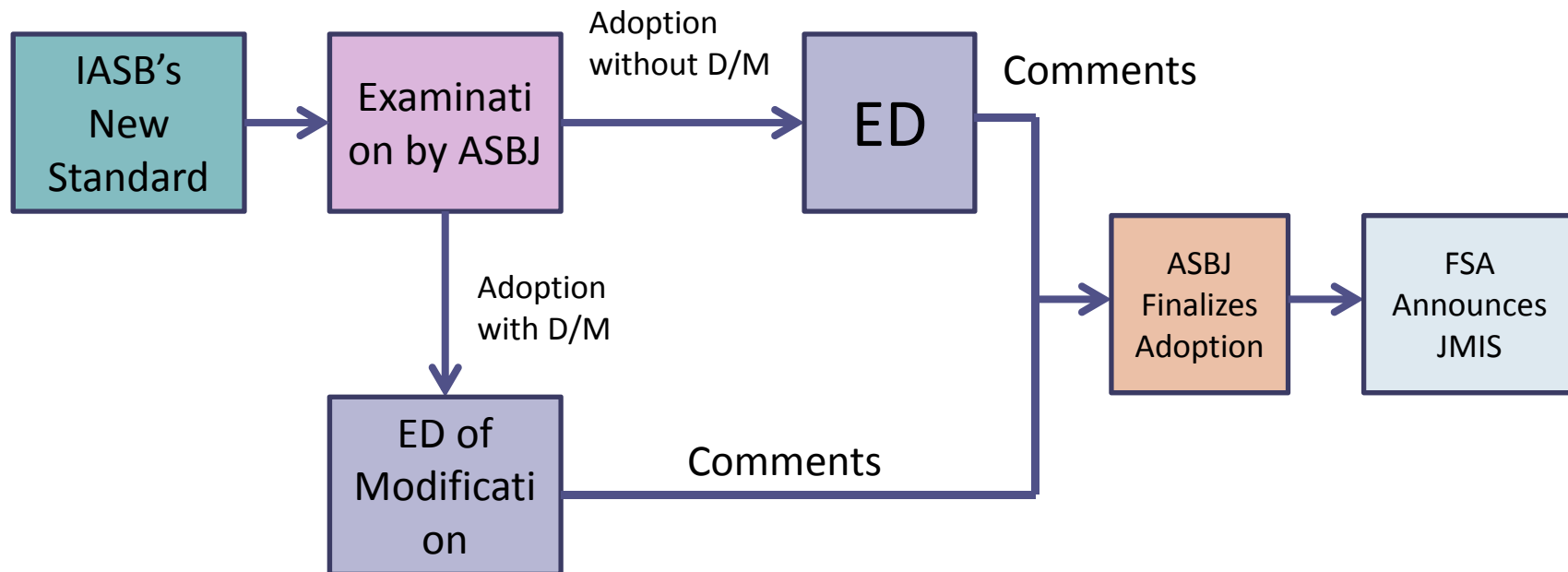


Strategy

- By appropriately expressing Japanese constituent's views on the IFRS, it is expected the endorsement process would urge the IASB to develop Standards that are acceptable in Japan.



Endorsement Process





4 Types of Standards

- Accounting Standards (ASBJ Statements)
- US GAAP (SFAS by FASB)
- Pure IFRS
- JMIS

+ Standards for MSE



Initial Endorsement

- 13 IFRS
- 28 IAS
- 17 IFRIC Interpretations
- 8 SIC Interpretations

Conceptual Framework not included



Issues Selected

- Issues for which there are significant differences in the fundamental thinking on accounting standards.
- Issues for which there are difficulties in practice in promoting voluntary application of IFRS.



Significant Differences

- Non-amortization of goodwill
- Items related to recycling of items of OCI and profit or loss
- Scope of fair value measurement
- Capitalisation of development costs



Difficulties in Practice

- Items relating to the implementation and interpretation of accounting standards
- Other items relating to accounting treatments that may involve significant difficulties in practice
- Items relating to disclosures



ED Issued

- ED No.1, 2014
Accounting for Goodwill
- ED No.2, 2014
Accounting for Other Comprehensive
Income



Accounting for Goodwill

- The ASBJ decided to make “deletions or modifications” to the Standards issued by IASB to require the amortization of goodwill.

■ See ED No.1 for detail.



Accounting for OCI

- The ASBJ decided to make “deletions or modifications” to the Standards issued by the IASB to eliminate all of the non-recycling requirements and to require the recycling of all items included in other comprehensive income in principle.

■ See ED No.2 for detail



Key Takeaways

- New trial for IFRS adoption in Japan.
- Dominance of Macroeconomic–Policy–orientation over accounting theory.
- Local divergence of accounting standards resulted from international convergence.



Concluding Remarks

- JMIS' s raison-être

On the assumption that Japan would continue to make an effort to promote the application of IFRS in Japan.

The policy composed on the U.S. road map to the adoption of IFRS. They have changed their orientation...