

Abstracts and Keywords

The Public Interest Perspective in Financial Accounting Research

Hisakatsu Sakurai

Abstract

Research in financial accounting concerning financial reporting for investor protection contributes to the public good beyond safeguarding the private interests of existing and potential shareholders and creditors in the following ways. Normative research, through presenting foundational concepts and deducing accounting treatment methods, aids in the formation of accounting standards that enhance stakeholder understanding and willingness to comply, working in tandem with the due process of accounting standard-setting bodies. On the other hand, positive research, exemplified by value-relevance studies, promotes market efficiency and increases investors' willingness to participate in the market by revealing accounting information and investment strategies that are insufficiently reflected in stock prices, thereby inducing discretionary trading. This, in turn, promotes desirable capital allocation across the broader economy and society.

Keywords

earnings management, efficient market hypothesis, anomaly, value relevance, accounting standards

Reconsidering the Objectives of Accounting : Retrospect and Prospect

Hidetsugu Umehara

Abstract

This paper reconsiders the objectives of accounting, with particular attention to the development of the decision-usefulness theory, and explores its future implications for the financial reporting system. The decision-usefulness theory, introduced into the financial reporting system through ASOBAT, established a shift from the historical cost principle to a framework that accepts multiple measurement bases, including fair value. However, several issues have been raised, such as the abstract nature of the usefulness concept, its relationship with stewardship and conservatism, and the growing ambiguity of accounting boundaries as the disclosure of non-financial information expands. Although Japanese standards have incorporated provisions based on the decision-usefulness theory, the conceptual framework, which should serve as a theoretical foundation, remains at the discussion paper stage, and debates on qualitative characteristics have been insufficient. Thus, in order to make the decision-usefulness theory function effectively in the future, it is essential to advance discussions on the objectives and usefulness of accounting and to incorporate their findings into the financial reporting system.

Keywords

objectives of accounting, decision-usefulness theory, stewardship theory, conceptual framework, usefulness of accounting information

Relative Usefulness of Accounting Information : Substitutability of Accounting Information for Private Information by Banks

Akinobu Shuto

Abstract

This paper highlights the importance of verifying the relative usefulness of accounting information, given the current expansion of corporate disclosure and the broadening scope of accounting analysis. I introduce empirical research treating banks' private information as substitute information, demonstrating that accounting information can be substituted depending on circumstances in environments where competitive information exists. Based on these findings, I point out that verifying relative usefulness is indispensable for reaffirming the significance of accounting.

Keywords

relative usefulness, public information, private information, substitution relationship, comple-

The Ideological Structure of Corporate Purpose and Sustainability Disclosure Standards

—A Comparative Analysis of ISSB and ESRS—

Takashi Asano

Abstract

This paper examines how the relationship between shareholder and stakeholders influences corporate reporting. It compares the European Sustainability Reporting Standards (ESRS) and the IFRS Sustainability Disclosure Standards (ISSB Standards), analyzing how differences in materiality and connectivity reflect distinct views of corporate purpose. The ISSB Standards, based on financial materiality, align with enlightened stakeholder theory, while the ESRS, adopting double materiality, align with pluralistic stakeholder theory. Referring to the UK's FRC (2020) and CLLS (2021), the paper concludes that differences in sustainability disclosure standards stem from divergent conceptions of corporate purpose.

Keywords

Sustainability Disclosure, Corporate Reporting, Materiality, Connectivity, Corporate Purpose

An Essay for Accounting Informatics : Detector Function with Accounting information

Yukihiko Okada

Abstract

Traditionally, the CFO organization has been composed mainly of two functions : the treasurer and the controller. With the recent advancement of digitalization, AI, and data science, the emergence of a new demand for the CFO organization : the “detector” function, which enhances management by uncovering, discovering, and detecting insights. This detector function is also essential for various stakeholders such as auditors, investors, tax accountants, financial institutions, and tax authorities. This paper positions “Accounting Informatics” as an academic discipline that contributes to the detector function and explores its foundational researches. This paper also aims to reconsider the purpose of accounting.

Keywords

Accounting Informatics, Detector Function, Computer Science, Computational Science, Distributed Confidential Data

An Educational Method for Consolidated Cash Flow Statements

Tatsushi Yamamoto

Abstract

In accounting education, it is essential to theoretically explain why a particular accounting treatment is chosen for a given economic event. Without such reasoning, accounting education is reduced to a mere explanation of procedures. This paper proposes an educational method that enables students to efficiently learn these underlying rationales through the process of preparing consolidated cash flow statements.

Keywords

Accounting education, Educational method, Consolidated cash flow statement

Sustainability and Accounting

Hideki Kubota

Abstract

The year 2024 marked the beginning of sustainability disclosure systems, with the implementation of the European Sustainability Reporting Standards (ESRS) limited to certain EU companies, and the application of the IFRS Sustainability Disclosure Standards determined by each country or region. Both standards began to take effect in 2024.

In 2025, reporting based on these newly implemented standards will commence, ushering in the substantive phase of sustainability disclosure systems.

On March 2, 2025, the 74th Kansai Regional Meeting of the Japan Accounting Association was held at Kobe Gakuin University, with the common theme “Sustainability and Accounting.” Presentations were delivered by Eri Kanamori (Ritsumeikan University), Takehisa Kajiwara (Kobe University), Yuriko Nakao (Kansai University), and Yasuko Fushimi (Kyoto Junior College of Economics). This article introduces the content of each presentation from the perspective of the session chair and outlines the current state of the substantive implementation of sustainability disclosure systems.

As the substantive implementation of sustainability disclosure systems steadily progresses,

each presentation offered valuable insights into how accounting can contribute not merely to disclosure itself, but to achieving the broader objectives of sustainability disclosure.

Keywords

Sustainability Disclosure, IFRS Sustainability Disclosure Standards, European Sustainability Reporting Standards (ESRS), International Sustainability Standards Board (ISSB), Sustainability Standards Board of Japan (SSBJ)

The Role of Accounting in the Sustainability Transition

Eri Kanamori

Abstract

This paper examines the role of accounting in sustainability transitions. First, an overview of sustainability transition research focusing on the shift from a large-scale centralized to a small-scale decentralized electricity system in Japan is provided. It is shown that even the massive shock of the nuclear accident to the landscape did not result in a bottom-up transition from niches. Then, the existence of accounting rules that favor regime actors is introduced as one of the factors behind this failure of transition. This case study reveals that the transition to a sustainable future involves value-based issues, such as what kind of society is considered sustainable and how to allocate the impact of the transition to each actor. Therefore, based on the concept of “public accounting” and the proposal “from accountability to business ethics,” this paper concludes by acknowledging that accounting depends on accountants’ “values about the state of society.” While this conclusion may be a commonplace one, it confirms the importance of forming and maintaining accountants’ ethics through practice in specific social contexts.

Keywords

sustainability transition, energy shift, electricity accounting, electric power companies, public policy

Sustainability in Supply Chains and Management Accounting

Takehisa Kajiwara

Abstract

In recent years, the sustainability of supply chains has been threatened in many industries. Improving the sustainability of supply chains has become an urgent issue for the performance and continuity of specific companies, as well as for the sustainability of industries and society. Prior studies in the field of management accounting can provide meaningful insights in the sustainability in supply chains. This paper examines the role of management accounting in supply chain sustainability and suggests fruitful avenues for future research directions by focusing on inter-organizational controls, cost transparency, and E-liability accounting.

Keywords

Sustainability in supply chains, management accounting, inter-organizational control, cost transparency, E-liability accounting

Integrating Sustainability into Accounting Education

Yasuko Fushimi

Abstract

This paper examines the potential for enhancing accounting education in light of the impact that sustainability issues have on corporate activities and financial reporting. In recent years organizations—including corporations—have actively pursued initiatives that consider environmental, social, and economic sustainability. Furthermore, international disclosure standards such as IFRS S1 and S2 have institutionalized the requirement to report sustainability-related information.

The concept of sustainability has prompted a shift in the socio-economic landscape from a growth-centric model to one that also incorporates environmental and social considerations. Correspondingly, the scope of information disclosure has expanded from a shareholder-centric approach to one that includes multiple stakeholders. The enrichment of both financial and non-financial information reflects the advancement of sustainability accounting, underscoring the need for accounting education to foster integrated information literacy and ethical responsibility.

This study explores the appropriate direction for accounting education in response to these developments, with a focus on sustainability-oriented frameworks.

Keywords

Sustainability, Accounting Education, Stakeholder

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