

# Accounting Profession and Professional Accounting Education in Japan

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**Engage in the Public Interest**

社会に貢献する公認会計士

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# 1. Accounting Profession and Qualifications

- **Certified Public Accountants (CPA)**

The Japanese Institute of Certified Public Accountants (JICPA) is a member body of IFAC.

29,246 are registered at the end of March 2017.

- Certified Public Tax Accountants (CPTA)

CPA is eligible to be registered as a CPTA.

76,269 are registered at the end of Oct 2016.

- Other qualifications and examinations:

- Business Skill Test in Bookkeeping (3 times a year, degrees 1-3), provided by Chamber of Commerce and Industry. 560,000 applicants in total during 2016.
- Bookkeeping and Accounting Test for International Communication (BATIC), based on IFRS, in English

## 2. JICPA Membership

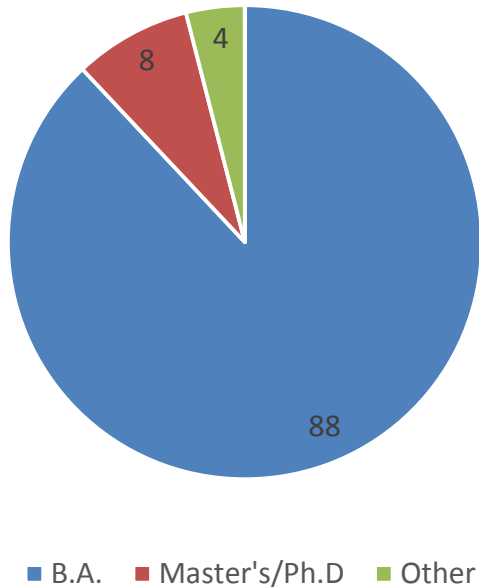
PAO	Country	Members	Population	One in ...
JICPA	Japan	29,246	126,980,000	4,342
AICPA	USA	412,000	321,600,000	781
CPA Canada	Canada	200,000	35,830,000	179
ICAEW	UK	144,000	65,110,000	452
ICAS	UK	20,000		
CA Ireland	Ireland	21,000	4,640,000	221
HKICPA	Hong Kong	38,000	7,310,000	192
SAICA	South Africa	40,000	54,960,000	1,374
IDW	Germany	13,000	82,180,000	6,322

Number of members - <http://www.globalaccountingalliance.com/globalaccountingalliance/Alliance-Members>

Population - IMF - World Economic Outlook Databases (2016OCT)

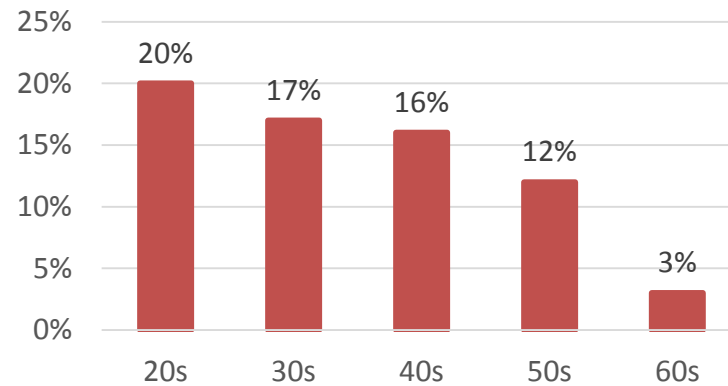
# 2. JICPA Membership

### Educational Background

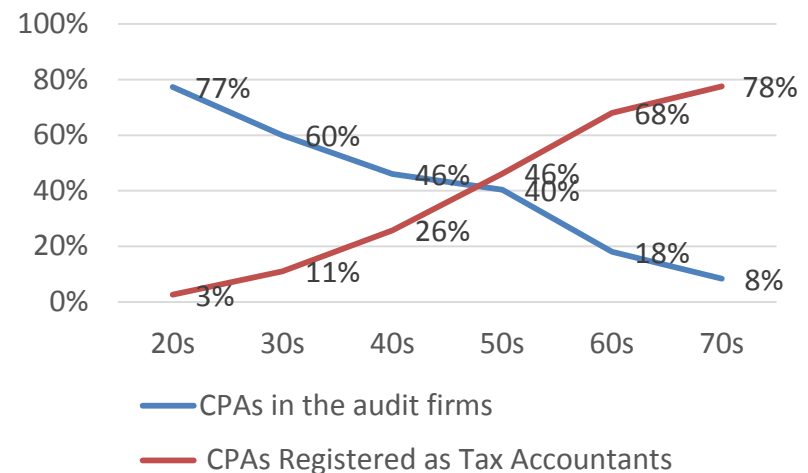


As of 31 March 2017

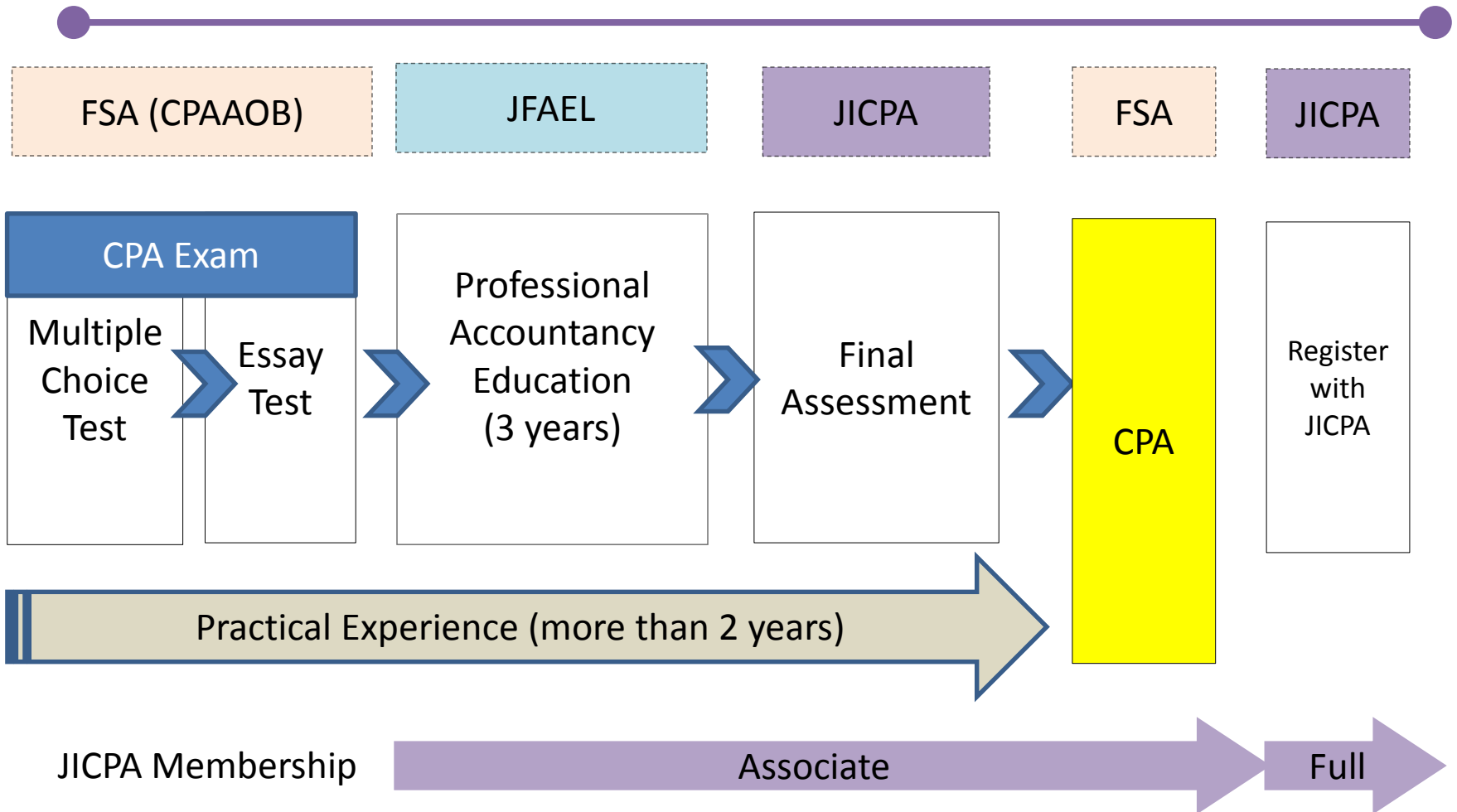
### Female CPAs



### Auditors/Tax Accountants



# 3. IPD ➤ 3.1. Becoming a CPA



FSA: Financial Services Agency CPAAOB: Certified Public Accountants and Auditing Oversight Board  
JFAEL: Japan Foundation for Accounting Education and Learning

## ➤ 3.2. CPA Exam

- CPA Exam is open to non-accounting majors
- Subjects and Timetable

	Date	Start	End	Hour	Subjects
Multiple Choice Test	Sunday, 12/6/2015 5/29/2016	9:30	10:30	1:00	Business law
		11:30	12:30	1:00	Managerial accounting
		14:00	15:00	1:00	Auditing
		16:00	18:00	2:00	Financial accounting and reporting
Essay Test	Friday, 8/19/2016	10:30	12:30	2:00	Auditing
		14:30	16:30	2:00	Tax law
	Saturday, 8/20/2016	10:30	12:30	2:00	Financial accounting and managerial accounting
		14:30	17:30	3:00	
	Sunday, 8/21/2016	10:30	12:30	2:00	Business law
		14:30	16:30	2:00	Selective (*)

(\*) Select one subject from four electives below

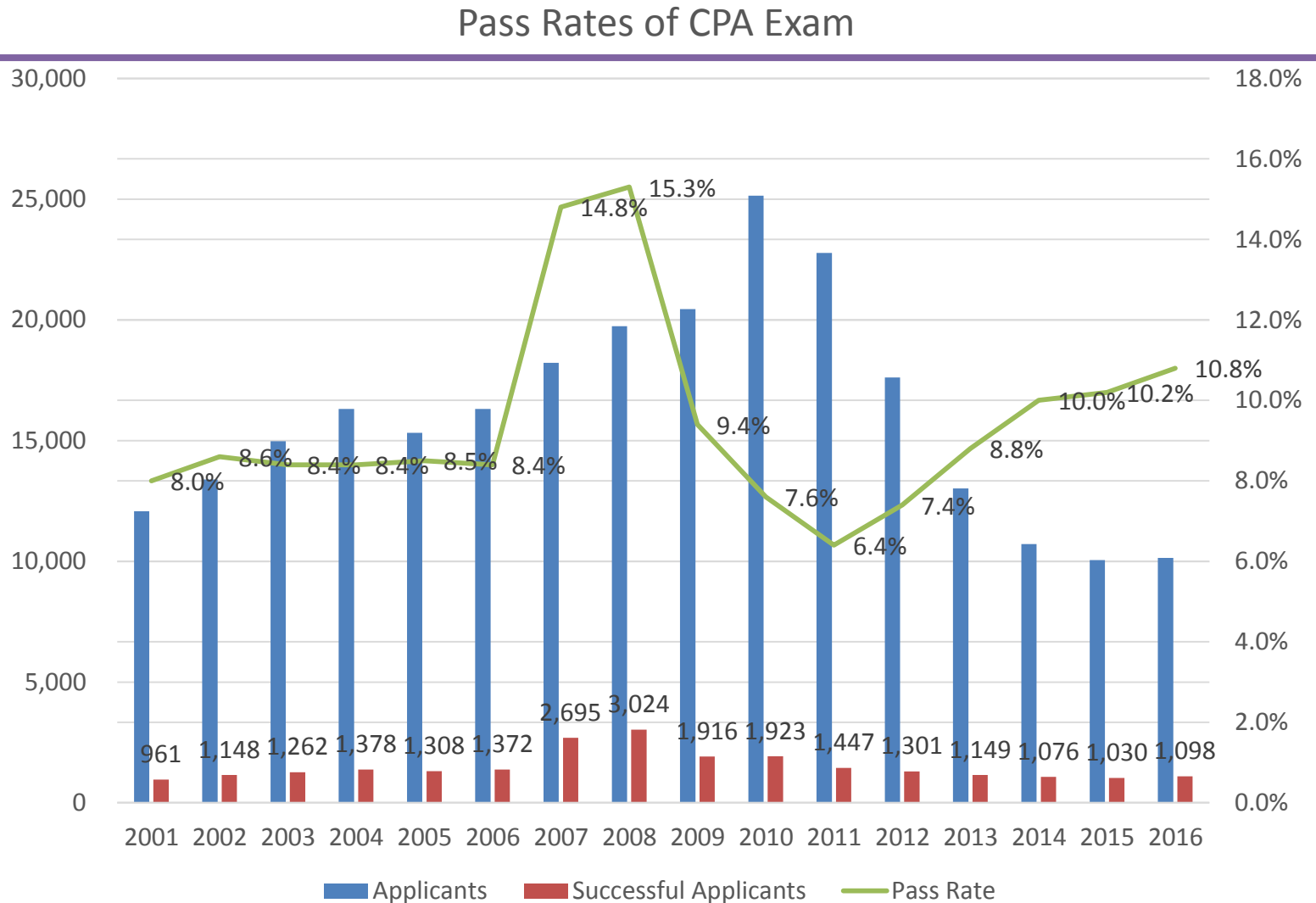
■ Business administration

■ Economics

■ Civil code

■ Statistics

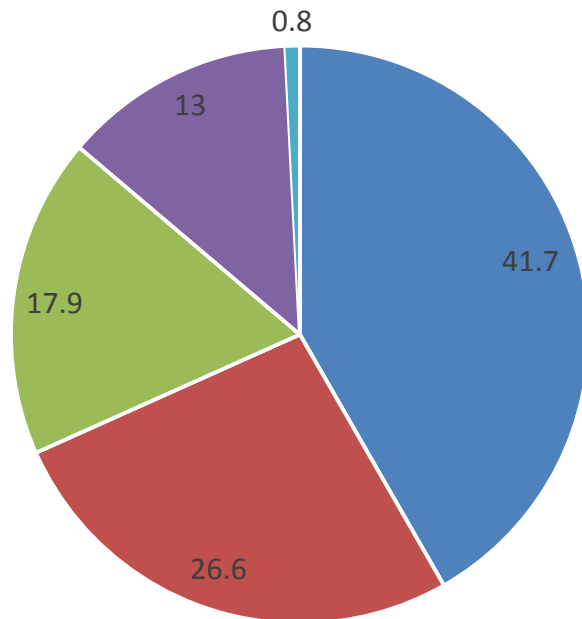
# 3.3. Pass Rates of CPA Exam





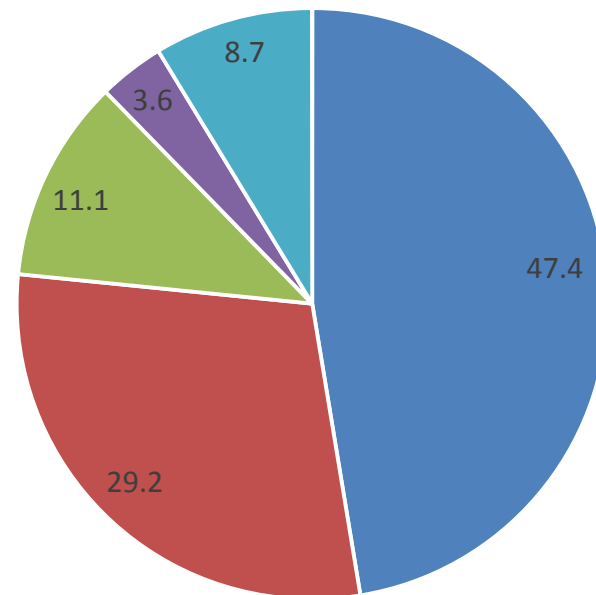
## ➤ 3.4. Successful Candidates of the CPA

Occupation



- Students
- Employed
- Other
- Prep. School Students
- Unemployed

Academic Background

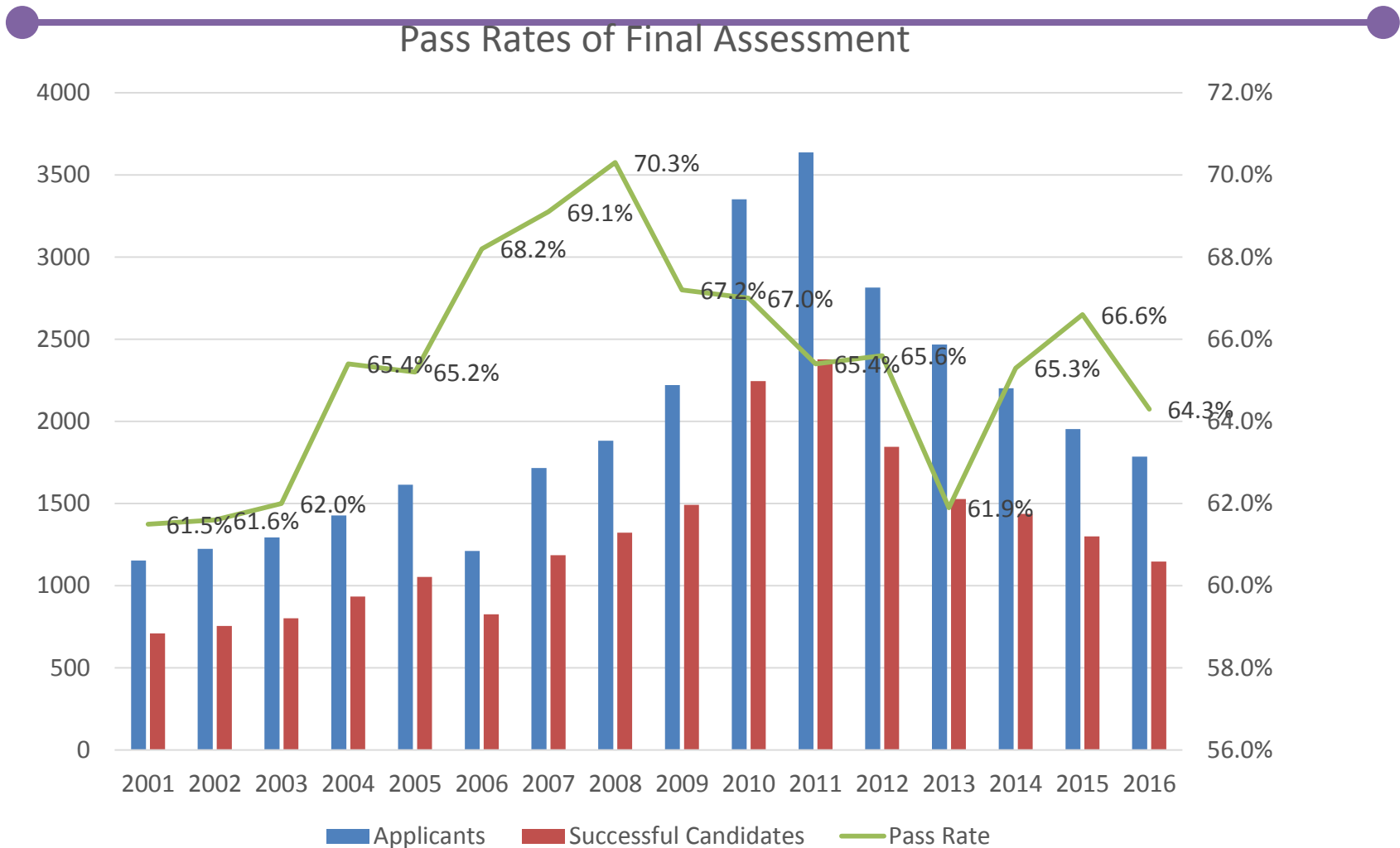


- B.A.
- Master's/Ph.D
- Other
- Undergraduates
- Graduate Students

## ➤ 3.5. Professional Accountancy Education

- Term: 3 years (can be shortened based on pre-Exam practical experiences)
- Administration: Japan Foundation for Accounting Education and Learning (JFAEL)
- Those who can sit for Final Assessment (given once a year)
  1. Lectures  
270 credits to be earned
  2. Interim assessments  
10 interim assessments  
60 or more credits in total, and 4 or more credits in each assessment should be earned
  3. Subject studies  
6 subject studies required  
36 or more credits in total, and 4 or more credits in each study
- Costs: JPY 255,000 (approximately USD 2,550), Admission fee JPY 15,000 (USD 150)
- Held mainly in the evening and on Saturdays

# ➤ 3.6. Pass Rates of Final Assessment



## ➤ 3.7. Practical Experience

- Candidates are required to gain relevant practical experience by working in accounting/audit firms or in industry for a minimum of two years.
- The JICPA provides assistance for candidates in obtaining their positions in firms or businesses.

## 4. CPD ➤ 4.1. CPD Requirements & Monitoring

- Measurement: Input-based approach
  - Complete at least 120 credits in each rolling three-year period; and
  - Complete at least 20 credits in each year
- Mandatory CPE credits
  - 2 credits in professional ethics, and 2 credits in tax are mandatory for all CPAs.
  - 6 credits in auditing, of which 2 credits in fraud case study, for audit practitioners
- **CPE fulfilment**  
Year ended 31 March 2016: **98.6%** (Prior year: 98.3%)
- Sanctions if a CPA fails to fulfil:
  - Publication of the names of the CPA who did not comply
  - Suspension of JICPA membership, and requests to the FSA for administrative sanctions, etc.

CPE: Continuing Professional Education

## ➤ 4.2. CPD Curriculum

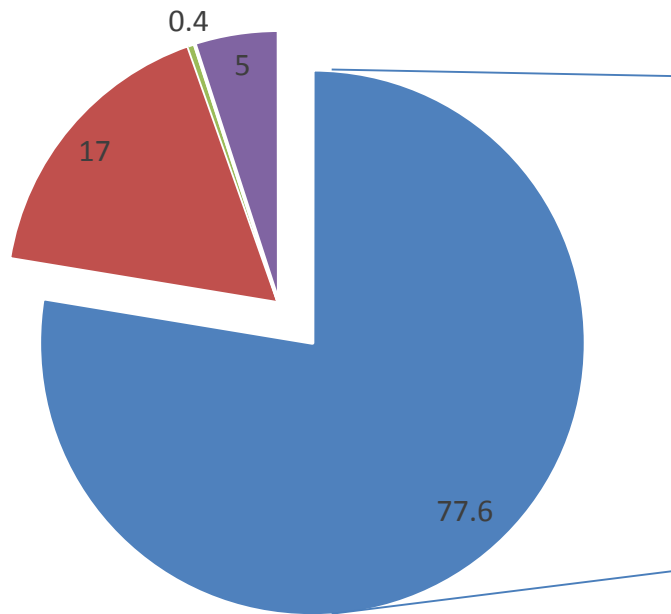
- Ethics
- Accounting
- Auditing
- Tax
- Consulting
- Skill

“CPE Curriculum” is reviewed annually by the JICPA’s “CPE Committee” to incorporate new standards, changes in tax laws, new IT topics, etc.

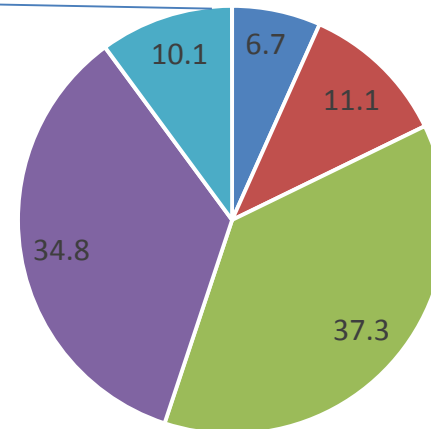
# 4.3. Encouraging CPD

## ➤ 4.4. How CPD credits are earned

CPD by Education Style



Seminar Trainings by Provider



■ Seminar Trainings ■ Self Studies ■ Writings ■ Lectures

■ JICPA Headquarters ■ JICPA Regional  
■ Audit Firms ■ e-Learnings by JICPA/Firms  
■ Other Organizations



## ➤ 4.5. Examples of output-based approach

- Short essays are required after self-studies.
- Multiple-choice tests after e-learnings.
- CPE credits are awarded to outputs, including writing articles and books and giving lectures.
- Audit firms utilize group discussion and presentation after learning activities.

## Lastly...

Should you have any questions and/or comments, please contact...

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Thank you for your attention.