

COMPARATIVE ACCOUNTING BETWEEN MALAYSIA, JAPAN AND FRANCE

Prepared by: Fung Shew Wei

ABSTRACT

Currently, we are living in the country that is fast becoming global and the growing of international business. Thus, international accounting provides pertinent information in decision makers in this age of a global economy and helping them make resources allocation decisions that maximize the benefit of humankind.

The primary objectives in this research study are to identify the awareness of respondents on the issues of international accounting, to study the similarity and differences of accounting regulations, accounting principles and practice among Malaysia, Japan and France, to highlight the influence of diversity accounting practices to account use's when they are interpretation the financial statements. Finally, it is also to study the level of familiar among the respondents on the account in these three countries.

Primary and secondary data are being used in this research study. The primary data gather through the distribution of questionnaires to the sample of size (60 respondents), which consist of the investors/speculators, accounting executive, and accounts officers, college students and public. In addition, the author on the research topic also gave several opinions too.

The responds of respondents on this research topic were quite weak; as they are rarely touch on the accounting in Japan and France. For the accounting in Malaysia, they may have some general knowledge on it. To analyze the data collected, hypotheses testing have been taken place in order to determine the validity of those seven hypotheses on the sample size.

In addition, several major differences were highlighted by researcher on the accounting measurement practices of Malaysia, Japan and France. Three financial statements of Malaysian companies have been used for the purpose to apply the accounting measurement of Japan and France for comparison. The outcome shows that the differences may influence the investment decision of account users especially the investors. Therefore, the account uses are not encourage to compare the performance of companies by merely based on the financial information, but have to take consideration into the ratio analysis too. This is due to the companies with large assets backing may not always having a high assets turnover.

Finally, several recommendations have been make for the multinational enterprises (MNEs) to overcome the problems on the accommodation of foreign readers on the financial reports in order to avoid misinterpretation. Additionally, the approach to increase the awareness of international accounting issues was being suggested too.