

KEYWORDS

Excess costs

The difference between assets and liabilities

Full-cost information

Cost per unit

ABSTRACT

The Japanese government maintains cash basis accounting. However, we also recognize the importance of utilizing accrual accounting information.

We introduce the Japanese government's efforts to promote the utilization of accrual-based information from both a macro and micro perspective.

From a macro perspective, Government financial statement is useful for grasping overall picture and the contents of the assets and liabilities of the central government. And Government financial statement makes it possible to understand the current position of Japan's finances, which has deteriorated further due to COVID-19 etc.

From a micro perspective, we have disclosed full-cost information of each government project. It would improve financial efficiency and transparency of government projects.