

North Asia Management Accounting Leaders' Summit 2016 Successfully Held

North Asia Management Accounting Leaders' Think Tank (CGMA 100) Formally Launched

The North Asia Management Accounting Leaders' Summit 2016 co-organised by Chartered Institute of Management Accountants (CIMA) and China Europe International Business School (CEIBS) was successfully held in the Lui Che Woo Lecture Hall of CEIBS Beijing Campus on June 8, 2016 at 8:30 a.m. More than 30 opinion leaders representing the fields of governments, regulatory authorities, enterprises, academic and research institutes and coming from the North Asian countries and regions such as China mainland, Hong Kong, Macao, Taiwan, Japan and South Korea gathered in Beijing to deliver impressive speeches in the summit regarded as the "Davos" in the field of North Asia Management Accounting, share their penetrating views with over 300 financial leaders, and collectively discuss the development and future of North Asia Management Accounting.

The North Asia Management Accounting Leaders' Summit 2016 has wide topics covering interpretations to relevant national policies, analysis to industrial standards, popularization of newest academic achievements, application practice and experience sharing of management accounting in public fields and business circles. Mr. Ding Yuan, Vice President and Dean, Cathay Capital Chair in Accounting, CEIBS and Ms. Li Ying, Regional Director of CIMA North Asia Region, respectively addressed a welcome speech on behalf of the organisers.



Later, Ms. Liu Hongwei, Chairman of China Association of Chief Financial Officers, reviewed the development history of management accounting under the background of economic transition in China during the session of keynote speech, and she said that "The Ministry of Finance formally issued the Instructions of the Ministry of Finance on Extensively Promoting the Construction of Management Accounting System on 27 October, 2014 and Chinese Management Accounting Development Principles (Exposure Draft) in December 2015 to promote application in practice of management accounting system. China Association of Chief Financial Officers and Chinese Institute of Certified Public Accountants respectively published the Chinese versions of 'CGMA Competency Framework' and 'Essential Tools for Management Accountants' in association with CIMA to promote development of management accounting in China. Therefore, we can anticipate that management accounting will play a more significant role in New Norm of China's economy and reform of the supply side."

Then, Mr. Charles Tilley OBE, FCMA, CGMA, Chief Executive CIMA, Chairman of International Federation of Accountants (IFAC) professional accountants in business committee, Chairman of the IIRC's technical task force, set forth the instructive significance of the Global Management Accounting Principles to the

entire field, and he said that “Today, the world’s financial leaders are facing the double challenges with complex financial and non-financial information and huge data size. Therefore, the Global Management Accounting Principles come into being like a GPS to tell the organisations where they are and guide the organisations where to go. CIMA has also newly developed a diagnosis and analysis instrument about the Global Management Accounting Principles, which can be used by the board of directors and financial departments as a benchmark to evaluate the work and improve business performance.”



Next, Prof. Gary C. Biddle, CPA (USA), CGMA, Professor, Chair of Accounting, PCCW Professor, Faculty of Business and Economics, The University of Hong Kong, addressed a keynote speech on “How can management accounting create values”, from which he analysed the development history of management accounting from ancient civilized empires to contemporary internet revolution and revealed the absolute importance of management accounting throughout progress of the times and technical development. He deeply pointed out that “Only continuously creating values can make an organisation survive. Financial accounting and management accounting are just like the moon and the sun, and only management accounting is the sun creating real values. What management accounting manages is the entire organisation rather than only the part reflected in financial reports.” He also set forth the key concepts including first principle of cost management and correct formula of creating values for audience.

The summit also discussed many hot topics in current management accounting field including leadership, innovation, transformation and prospect of management accounting and the Amoeba Model, and the financial officers from financial service enterprises such as McKinsey, PWC and Goldman Sachs, emerging computer and Internet enterprises such as Microsoft, Tencent, ZTE and Suning and innovative pioneers of traditional industries such as Coca Cola, KYOCERA, Haier, L'OCCITANE, EATON and Sumitomo Mitsui shared their unique opinions and best practices with other guests. As pioneer platforms for academic circles and business circles to communicate management accounting achievements, the academic leaders from Peking University, University of Hong Kong, Taiwan University, CEIBS, Guangdong University of Finance and Economics and Shanghai National Accounting Institute also made wonderful academic comments on the aforesaid topics.

At last, Mr. Tony Manwaring, Executive Director, External Affairs, CIMA, addressed a closing speech for the summit, and he said that “The CGMA Competency Framework concentrating in creating values has defined the four necessary skills of technology, business, interpersonal relationship and leadership for management accounting. The summit today is the ‘Davos’ Forum of management accounting, and we will make use of some practical instruments and resources to help enterprises developing healthily and realize powerful progress of China and other countries and regions in North Asia. I believe that CIMA will make extraordinary contributions to development of management accounting in North Asia or even the world.”

At the summit, all guests collectively witnessed the formal establishment of North Asia Management Accounting Leaders Think Tank (CGMA 100), which is a high level platform covering multiple benefits of management accounting field and established for sustainable development of global economy and continuous concern to management accounting. It is composed of approximately 100 opinion leaders from supervision authorities, academic circles, business circles and professional organisations, so it has the abbreviation of “CGMA 100”. On 7 June, 2016, the members of CGMA 100 held the first closed-door

meeting in Shangri-La Hotel Beijing, and participated in drafting relevant guidelines on management accounting of North Asia or even the world through the round table.

Mr. Xu Dingbo, Associate Dean, Essilor Chair of Accounting, CEIBS , was elected as the first chairman, and he said that “Instead of financial accounting, the future of accounting lies on management accounting. The management accountants are people creating real values. Firstly, board of directors shall emphasize and promote management accounting; secondly, business schools shall make more promotions, researches, information collection and analysis for management accounting. Once the academics is actually combined with practice, the innovation and vitality of management accounting will be embodied.”



It is reported that CGMA 100 will irregularly hold relevant seminars and exchange activities in future, and select one city in North Asia every year as the host for North Asia Management Accounting Leaders' Summit. The next summit will be held in Hong Kong in 2017.