



**The Japanese Institute of  
Certified Public Accountants**

4-4-1 Kudan-Minami, Chiyoda-ku, Tokyo 102-8264, Japan  
Phone: +81-3-3515-1129 Fax: +81-3-3515-1167  
Email: [hieirikaikei@jicpa.or.jp](mailto:hieirikaikei@jicpa.or.jp)

October 22, 2018

Mr. John Stanford  
Technical Director  
International Public Sector Accounting Standards Board  
International Federation of Accountants  
277 Wellington Street West  
Toronto, Ontario, Canada M5V 3H2

**Comments on Exposure Draft 66 “Long-term Interests in Associates and Joint Ventures (Amendments to IPSAS 36) and Prepayment Features with Negative Compensation (Amendments to IPSAS 41)”**

Dear Mr. Stanford,

The Japanese Institute of Certified Public Accountants (hereafter the “JICPA”) highly respects the International Public Sector Accounting Standards Board (hereafter the “IPSASB”) for its continuous effort to serve the public interest. We are also pleased to comment on the Exposure Draft 66 “Long-term Interests in Associates and Joint Ventures (Amendments to IPSAS 36) and Prepayment Features with Negative Compensation (Amendments to IPSAS 41)” (hereafter the “ED 66”).

The JICPA agrees with each amendment proposed in ED66 as a whole, though we see room for improvement on the following issues.

**Comments**

There is a description of “...at fair value through surplus or deficit” in the last sentence at the right column of the table in Paragraph 4, Page 14 of ED 66. We believe that “surplus or deficit” should be amended to “...at fair value through net assets/equity.”

The explanation in this column is provided to clarify the requirements (the fourth line sentence) in AG74, Page 18, ED66: “...is eligible to be measured at amortized cost or fair value through net assets/equity...” As such, we believe that the same description should be provided in the table on Page 14. (See BC4. 221 on “Prepayment Features with Negative Compensation (amendments to IFRS 9), issued by the IASB).

Yours sincerely,

Shuichiro Akiyama

Executive Board Member - Public Sector Accounting and Audit Practice

The Japanese Institute of Certified Public Accountants