



**The Japanese Institute of
Certified Public Accountants**

4-4-1, Kudan-Minami, Chiyoda-ku, Tokyo 102-8264 JAPAN

Phone: +81-3-3515-1130 Fax: +81-3-5226-3355

e-mail: kigyokaikei@jicpa.or.jp

<http://www.hp.jicpa.or.jp/english/>

November 7, 2008

International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Comments on the Exposure Draft of proposed *Improvements to IFRSs*

To the Board Members:

The Japanese Institute of Certified Public Accountants appreciates the continued efforts of the International Accounting Standard Board (IASB) on the annual improvement project of amendments to IFRSs and welcomes the opportunity to comment on the Exposure Draft of proposed *Improvements to IFRSs*.

The following is our response to the items in 'invitation to comment' with which we disagree or have questions or concerns.

Proposed amendment to Basis for Conclusions on IFRS 8 *Operating Segments*

Question 1

Do you agree with the Board's proposal to amend the IFRS as described in the exposure draft? If not, why and what alternative do you propose?

Comment:

We do not agree.

Paragraph 23 of IFRS 8 requires an entity to report a measure of profit or loss and total assets for each reportable segment, and a measure of liabilities if such an amount is regularly provided to the chief operating decision maker, while paragraph 27 of SFAS 131 requires reporting a segment measure of profit or loss and total assets. We believe that not only the amendment of basis for conclusion of IFRS 8, but the original paragraph of the standard should be amended if the Board really believes such amendment should be made.

However, we believe that original paragraph BC35 should not be amended since it is useful to provide users with reporting a measure of total assets for each reportable segment in light of comparing the segment size and return on total assets.

Proposed amendment to Appendix of IAS 18 *Revenue*

Question2

Do you agree with the proposed transition provisions and effective date for the issues as described in the exposure draft? If not, why and what alternative do you proposed?

Comment:

We do not agree.

We believe that transition and effective date of the amendment of Appendix should be clearly stated, such as "an entity shall apply that amendment of Appendix for annual reporting periods beginning on or after 1 January 2010". We are afraid that if such sentence is not added, an entity shall apply the amendment retrospectively according to paragraph 19(b) of IAS 8, and it will burden an entity to make transition in practice.

Yours faithfully,

Kiyoshi Ichimura
Executive Board Member - Accounting Standards
The Japanese Institute of Certified Public Accountants