

# ASBJ Newsletter



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1. Development of the ASBJ Standards (released between August 1 and October 28, 2008)
  - (1) [Final] Announcement of "[Accounting Standard for Measurement of Inventories \(ASBJ Statement No. 9 revised 2008\)](#)" (September 26, 2008)
  - (2) [Final] Release of "[Practical Solution on Measurement of Fair Value for Financial Assets \(ASBJ PITF No. 25\)](#)" (October 28, 2008)

- (3) [DP] Release of "[Discussion Paper on Reclassification of Debt Securities](#)" (October 28, 2008)

The deadline for public comments on this Exposure Draft was set for November 4.

[Legend]

DP: Issue Paper, Discussion Paper

ED: Exposure Draft

Final: Statement/Guidance, etc. (final version)

## 2. Overview of the ASBJ Meetings (158<sup>th</sup> meeting – 160<sup>th</sup> meeting)

### (1) 158<sup>th</sup> Meeting (held on August 7, 2008)

- (a) Progress of Studies Conducted by Technical Committee for Inventories
- (b) Progress of Studies Conducted by Retirement Benefits Accounting Technical Committee (deliberation of the ASBJ's comment on the IASB's Discussion Paper)
- (c) Progress of Studies Conducted by Technical Committee for Financial Instruments (deliberation of the ASBJ's comment on the IASB's Discussion Paper)

- (a) The Board discussed the draft texts in response to the comments on the Exposure Draft. With regard to elimination of the last-in first-out (LIFO) method, there were many negative comments, for example, that the LIFO method is an appropriate formula for matching costs and revenues. However, from the perspective of international convergence of accounting standards, the discussion focused on elimination of the LIFO method.

In addition, the Board discussed whether the 36 effect resulting from elimination of the LIFO method can be treated as an adjustment item for the surplus. However, it was turned down as the clean surplus relationship would be broken if the retained earnings are increased by the earned surplus without adding the holding gain to the net income.

- (b) & (c) The staff introduced the Discussion Papers released by the International Accounting Standards Board (IASB) and reported the Progress of Studies conducted by technical committees, respectively.

### (2) 159<sup>th</sup> Meeting (held on August 28, 2008)

- (a) Progress of Studies Conducted by Technical Committee for Inventories
- (b) Progress of Studies Conducted by Retirement Benefits Accounting Technical Committee (deliberation of the ASBJ's comment on the IASB's Discussion Paper)
- (c) Progress of Studies Conducted by Technical Committee for Financial Instruments (deliberation of the ASBJ's comment on the IASB's Discussion Paper)
- (d) Progress of Studies Conducted by Working Group on Fundamental Concepts (deliberation of the ASBJ's comment on the IASB's Exposure Draft and Discussion Paper)

- (a) The Board discussed the draft texts prior to the resolution for public release of the Revised Accounting Standard for Measurement of Inventories at the 160<sup>th</sup> Meeting.

Though the Exposure Draft stated that inclusion of the information on the amount of the holding gain or loss in the notes was allowed, some Board members expressed views that such information should be provided as IR information and is not appropriate for accounting standard.

- (b) The IASB's Discussion Paper contains two issues: immediate recognition of changes in the funded status of the defined benefit promises rather than deferred recognition, and changes to the classification of retirement benefits from existing "defined contribution plan and defined benefit plans" to "contribution based promises and defined benefit promises" and contribution based promises should be measured at fair value.

With regard to these issues, the Board deliberated from the perspectives of maintaining the clean surplus relationship and possible significant changes to the current accounting treatment for cash balance plan and other accounting treatments relating to retirement benefits adopted in Japan.

- (c) The IASB's Discussion Paper intends to reduce the complexity of financial instruments and expresses the views that all types of financial instruments should be measured at fair value in the long term and that the number of financial instruments should also be increased to be measured based on the fair value as intermediate approaches to be consistent with the long-term measurement objective. The Board discussed this issue.
- (d) Since the IASB's Exposure Draft takes the approach of dividing the amendment work of the Conceptual Framework into small phases and finalizing in each phase, instead of examining the framework as a whole, it was pointed out that there is a problem in terms of overall consistency.

### (3) 160<sup>th</sup> Meeting (held on September 18, 2008)

- (a) ASBJ Statement No. 9 (revised 2008) "Accounting Standard for Measurement of Inventories" [Resolution for public release]
- (b) Updating of the Project Plan
- (c) Progress of Studies Conducted by Retirement Benefits Accounting Technical Committee (deliberation of the ASBJ's comment on the IASB's Discussion Paper)
- (d) Progress of Studies Conducted by Technical Committee for Financial Instruments (deliberation of the ASBJ's comment on the IASB's Discussion Paper)
- (e) Progress of Studies Conducted by Working Group on Fundamental Concepts (deliberation of the ASBJ's comment on the IASB's Exposure Draft and Discussion Paper)
- (f) Comments on the Exposure Draft of Proposed Partial Amendments to the Accounting Standard for Research and Development Cost" (the portion relating to intangible assets)
- (g) Comments on the Exposure Draft of Proposed Accounting Standard for Disclosures about Fair Value of Investment and Rental Property and its Implementation Guidance

- (a) The Board has deliberated the method of measuring inventories, and approved the resolution for public release of the amendment of the "Accounting Standard for Measurement of Inventories" to eliminate the LIFO method. This shall be applied for fiscal years beginning on or after April 1, 2010. Earlier application is also permitted.
- (b) The Board discussed updating the Project Plan set forth the ASBJ's plans to develop accounting standards. The new Project Plan was published on September 19, 2008.
- (c) The staff provided the final reports on the comments including objections to immediate recognition of changes in the defined benefit promises and to measurement of the contribution-based promises liabilities at fair value and taking into account the credit risk upon

such measurement. These comments were submitted to the IASB on September 26, 2008.

- (d) The staff provided the final reports expressing concerns over the introduction of the full fair value measurement on the ground that a number of issues are left unaddressed relating to the fair value measurement and that changes in the fair value that cannot be considered as performance are included in the net profits. These comments were submitted to the IASB on September 19, 2008.
- (e) The staff provided the final reports relating to the comments. These comments were submitted to the IASB on September 26, 2008.
- (f) The staff introduced comments on the Exposure Draft. The Technical Committees and the Board will continue discussions on possible solutions.
- (g) There was no opinion which required a significant change from the contents of the Exposure Draft. However, some Board Members expressed their views that the final standard should clarify the scope of investment and rental property and the judgment criteria for significance. The Technical Committees and the Board will continue discussions on possible solutions.

### 3. ASBJ's Comment on Documents Issued by the IASB and the FASB (released between August 1 and September 30, 2008)

- (1) The ASBJ submitted [Comments on the Discussion Paper "Financial Instruments with Characteristics of Equity"](#) on September 5, 2008.  
(Click [here](#) for an overview of the Discussion Paper "Financial Instruments with Characteristics of Equity.")
- (2) The ASBJ submitted [Comments on the Discussion Paper "Reducing Complexity in Reporting Financial Instruments"](#) on September 19, 2008.  
(Click [here](#) for an overview of the Discussion Paper "Reducing Complexity in Reporting Financial Instruments.")
- (3) The ASBJ submitted [Comments on Discussion Paper "Preliminary Views on Amendments to IAS 19 Employee Benefits"](#) on September 26, 2008.  
(Click [here](#) for an overview of the Discussion Paper "Preliminary Views on Amendments to IAS 19 Employee Benefits.")
- (4) The ASBJ submitted [Comments on the Exposure Draft "An improved Conceptual Framework for Financial Reporting: Chapter 1: The Objective of Financial Reporting, Chapter 2: Qualitative Characteristics and Constraints of Decision-useful Financial Reporting Information"](#) on September 26, 2008.  
(Click [here](#) for an overview of the Exposure Draft "An improved Conceptual Framework for Financial Reporting: Chapter 1: The Objective of Financial Reporting, Chapter 2: Qualitative Characteristics and Constraints of Decision-useful Financial Reporting Information.")

(5) The ASBJ submitted [Comments on the Discussion Paper “Preliminary Views on an improved Conceptual Framework for Financial Reporting: The Reporting Entity”](#) on September 26, 2008.

(Click [here](#) for an overview of the Discussion Paper “Preliminary Views on an improved Conceptual Framework for Financial Reporting: The Reporting Entity.”)

#### 4. Updating of the ASBJ Project Plan

Given recent circumstances, the Accounting Standards Board of Japan (ASBJ) updated the Project Plan published in December last year on September 19, 2008. Click [here](#) for detailed information.

#### 5. Release of the “Case study analysis: Accounting treatment of internally generated development costs under IAS38”

In Japan, research and development cost must be expensed as incurred, which is different from the accounting treatment under IAS 38, which requires capitalization of development cost if such cost satisfies certain requirements.

As part of efforts toward convergence, the ASBJ released a case study analysis on accounting treatment internally generated development costs by European companies under IAS 38 focusing on the industries for which internally generated development costs are considered to be particularly significant (click [here](#) to read the report).

#### 6. The 8th Joint Meeting with the IASB

The ASBJ and [the IASB](#) held [the 8<sup>th</sup> joint meeting](#) at the IASB’s office in London for two days, on September 8 and 9, 2008. ASBJ Chairman Ikuo Nishikawa, ASBJ Full-time Board Member Takehiro Arai and ASBJ staff as well as IASB Chairman Sir David Tweedie, IASB Board Members Warren McGregor and Tatsumi Yamada and IASB staff participated in this meeting. In addition, in this meeting, ASBJ Board Member and staffs participated via video conference system from Tokyo.

The schedule and agenda of the meeting were as follows:



Date/Time	Agenda
September 8 (morning)	<b>1. Specific projects (1) (open to public)</b> - Financial instruments (replacement of the current standards) - Conceptual framework
September 8 (afternoon)	<b>2. Specific projects (2) (open to public)</b> - Post-employment benefits - Liabilities and equity
	<b>3. Future cooperation</b>
September 9 (morning)	<b>4. Update of IASB activities</b> <b>5. Update of ASBJ activities</b>

With regard to the above four specific projects, representatives of the Boards discussed on [the ASBJ's draft comments](#) on the Discussion Paper and the Exposure Draft released by the IASB. Regarding future cooperation, they discussed on strengthening cooperation to actively participate in the IASB's standard-setting, including an increase in the ASBJ staff seconded to the IASB.



In the update on the IASB's activities, representatives of the IASB explained [the Work Plan](#) released on August 14 focusing on the new standards and major projects. They also stated that they plan to release the updated version of the [Memorandum of Understanding \(MoU\)](#) with the FASB announced in February 2006.

In the update on the ASBJ's activities, representatives of the ASBJ explained the progress for each item shown in the Project Plan published in December 2008. Those present confirmed that the convergence project to be completed by the end of 2008 in relation to major differences between Japanese GAAP and the current International Financial Reporting Standards (IFRS) (as defined by the July 2005 the committee of European Securities Regulators (CESR) assessment of the equivalence) progressing in line with the project plan. And representatives of the ASBJ also presented the draft updated version of [the Project Plan](#) to be published on September 19.

The next joint meeting with the IASB is scheduled for March 2009 in Tokyo.

## 7. Roundtable Meeting with IASB Chairman Sir David Tweedie and Japanese Constituents

In the morning on September 25, 2008, the ISAB's Chairman Sir David Tweedie, and Board Members John Smith and Tatsumi Yamada, who were visiting Japan, held a round table meeting with Japanese market constituents at the Palace Hotel in Tokyo, with the participation of approximately 60 people.

The meeting was comprised of Chairman Tweedie's speech followed by a question and answer session. First, Chairman Tweedie explained the recent global developments regarding the IFRS, which are summarized as follows<sup>1</sup>:

<sup>1</sup> The views presented here are summarized by the ASBJ based on Chairman Tweedie's speech for the readers'

- ✓ Last year, activities to adopt the IFRS were prominent in Asia. In January, China introduced the standards based on the IFRS, while in March, Korea announced full adoption of the IFRS from 2011. Then in August, there was the “Tokyo Agreement” in Japan.
- ✓ When introducing the IFRS, it is considered to be ideal to adopt them word by word. In such case, due consideration should also be given to the endorsement system of each country.
- ✓ Though the IASB plans to complete nine major projects by 2011, the IASB has not yet established directions for all of them. By listening to Japan’s opinions at an early stage, the IASB will be able to allocate enough time for necessary discussions.
- ✓ The credit crisis has dealt a crippling blow to North America and Europe. Under such circumstances, as for accounting, questions have arisen in particular in relation to measurement of fair value and consolidation. Therefore, the IASB thinks to need more in-depth studies of these issues.
- ✓ The IASB thinks to need to advance projects for the subjects of the MoU such as leases, revenue recognition, financial statement presentation, fair value measurement guidance, liabilities and equity, and pensions.
- ✓ During the course of developing standards, the IASB expects cooperation from the national standard-setters, in particular strong standard-setters such as the ASBJ. The IASB would appreciate Japanese continued support.



During the question and answer session, participants exchanged candid views with IASB members, for example, the transition to the principle basis from the rule basis and the impact of the accounting standards on real economic activities, thus improving mutual understanding.

## 8. JICPA/ASBJ Joint Seminar “The Current IFRS Situation and the World Trends”

On September 25, 2008, the ASBJ held a joint seminar titled “The Current IFRS Situation and the World Trends” with the Japanese Institute of Certified Public Accountants (JICPA) at Konin Kaikeishi Kaikan (JICPA Headquarters).

The purpose of this seminar was to increase understanding and interest in the convergence of international accounting standards by explaining the IASB’s and ASBJ’s recent activities directly from their top management, as the US has been accelerating its movement toward adoption of



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convenience. Therefore they are not confirmed by the IASB and/or Chairman Tweedie.

the IFRS.

At the seminar, John Smith, Board Member of the IASB, delivered a speech in addition to Sir David Tweedie, Chairman of the IASB and Ikuo Nishikawa, Chairman of the ASBJ. The program of the seminar was as follows:

Subject of Speech	Speaker
<b>1. Worldwide adoption of the IFRSs</b>	<b>Sir David Tweedie</b> <b>Chairman of the IASB</b>
<b>2. IASB Project Overview and Key Issues</b>	<b>John Smith</b> <b>Board Member of the IASB</b>
<b>3. ASBJ's Activities Going Forward towards Convergence</b>	<b>Ikuo Nishikawa</b> <b>Chairman of the ASBJ</b>

On the day, the venue was filled with more than 400 participants. Chairman Tweedie started the session by updating the activities of the IASB and what the IASB expects from Japan from now on, from the ASBJ in particular. He also explained the IASB's views on the latest developments such as announcement and adoption of a new proposed road map in the US toward adoption of the IFRS.

Next, Board Member Smith summarized the individual key projects in which the IASB is currently engaged, and added to Chairman Tweedie's explanation on the US SEC's movements.

Finally, Chairman Nishikawa outlined the ASBJ's future initiatives toward convergence focusing on the new Project Plan published on September 19. He also referred to a possibility to adopt the IFRS in Japan and gave his personal views.



During the question and answer session held after each speech, the participants and speakers actively used all the time allowed to ask and answer questions on issues including the significance of the trend toward adoption of the IFRS in the US, the situation of implementing the IFRS to non-consolidated financial statements in Europe, and the accounting treatment of the fair value option.

## 9. A Discussion with EFRAG to Exchange Views

On September 22, 2008, Chairman Stig Enevoldsen and Technical Director Paul Ebling of [the European Financial Reporting Advisory Group \(EFRAG\)](#) visited the ASBJ to discuss the situation of recent activities and various issues. Chairman Nishikawa and a number of staffs from the ASBJ participated in this meeting.

During the discussion, firstly, the ASBJ explained the summary of the Tokyo Agreement with the IASB which was announced in August 2007 and the latest Project Plan published on September 19, 2008.

Following that, Chairman Enevoldsen commented on the update of the EFRAG's recent activities, in particular on their response to the recent financial turmoil and the consultation with the IASB on the

MoU items.

The meeting then moved on to discuss technical issues. First, we exchanged views on the distinction of liabilities and equity as described in the IASB's Discussion Paper on Financial Instruments with Characteristics of Equity based on the comment letters respectively developed by [the ASBJ](#) and [the EFRAG](#).

Next, a report was made on the "[Case study analysis: Accounting treatment of internally generated development costs under IAS38](#)" published by the ASBJ on September 22, and views were exchanged.

Through the discussion, the EFRAG and the ASBJ could clarify their common points and differences in approach to various issues. Finally, before closing the session Chairman Nishikawa and Chairman Enevoldsen reconfirmed the importance of exchanging opinions.

## 10. Roundtable Meeting with Stig Enevoldsen, Chairman of the EFRAG and Japanese Constituents

On September 22, 2008, the ASBJ invited Chairman Stig Enevoldsen and Technical Director Paul Ebling of the EFRAG, and held a round table meeting to introduce the role and recent activities of the EFRAG to Japanese market constituents and exchange views at the Palace Hotel in Tokyo. There were approximately 40 participants at the meeting.

At the meeting, following the greetings by ASBJ Chairman Nishikawa, Chairman Enevoldsen gave a speech titled "Financial Reporting in the EU" in which he explained the role of the EFRAG in the EU and its recent activities. He also introduced the EFRAG's views on some timely issues such as the issues that accounting is confronted with in the recent financial turmoil and the impact of the US SEC's movements on the IASB or Europe.



After the discussion there was a question and answer session with participants, and they exchanged views on various issues including evaluation of the process of implementing IFRS in Europe, the process of forming opinions at the EFRAG which involves many member countries, and the course of action going forward. It was a very useful discussion for all.

## 11. ASBJ Chairman Ikuo Nishikawa Participated in the Meeting of National Standard-Setters Conference (NSS Meeting)

On September 10, 2008, the Meeting of National Standard-Setters Conference (NSS Meeting) was held in Paris.

The NSS Meeting is held bi-annually in spring and autumn under the sponsorship of the national standard setters of ex-liaison nations and others to discuss matters including research projects conducted by each standard-setter and inputs and supports to the IASB's Project and Work Plan.

The meeting was chaired by Chairman Ian Macintosh of the UK's ASB and was attended by approximately 40 people from ex-liaison nations including Japan, UK, Canada, Germany, France, Australia and New Zealand other than the US, as well as the European Financial Reporting Advisory Group (EFRAG), the standard-setter of Korea, Taiwan, Hong Kong, Malaysia, India, Saudi Arabia, Italy, Sweden, Norway, Romania, Tunisia, South Africa and Mexico, and IASB, and [International Public Sector Accounting Standards Board \(IPSASB\)](#). From the ASBJ, Chairman Ikuo Nishikawa, Senior Technical Manager Shunichi Toyoda and Technical Staff Koji Ishihara attended the meeting.

The agenda and presenter(s) (in brackets) were as follows:

1. Opening session
2. The IASB's [Work Plan](#), [Constitution Review](#) and [Statement of Best Practice](#) (ASB of the UK)
3. Intangibles (AASB of Australia and ASBJ of Japan)
4. [Conceptual framework – Phase B](#): elements and recognition (definition of liabilities) (IASB)
5. [Consolidations](#) (IASB)
6. Complex financial instruments (CNC of France)
7. Tax (DRSC of Germany, ASB of the UK)
8. Report backs: Measurement (ASB of the UK), IFRS2 (CNC of France), Non-consolidated information (AcSB of Canada) and Retirement benefit plans (FRS of New Zealand)
9. Closing session

During the “Intangibles” session, the ASBJ's “[Case study analysis: Accounting treatment of internally generated development costs under IAS38](#)” was distributed as an Agenda Paper together with the draft Discussion Paper prepared by the AASB of Australia. However, since the ASBJ did not have time to present the contents of this analysis during the meeting, the ASBJ will make a presentation at the next meeting.

## 12. ASBJ Chairman Ikuo Nishikawa Participated in the World Standard-Setters Conference (WSS Conference)

On September 11 and 12, 2008, [the World Standard-Setters Conference \(WSS Conference\)](#) was held in London. The WSS Conference is organized by the IASB in autumn every year to exchange opinions with accounting standard setters around the world.

Nearly 100 people from more than 50 countries participated in the WSS Conference this time. From Japan, the ASBJ's Chairman Ikuo Nishikawa, Technical Director Kenichi Akiba and Senior Technical Manager Shunichi Toyoda attended the meeting.

The agenda of the conference was as follows:

- September 11:
  - Welcome speech by Sir David Tweedie, IASB Chairman
  - Consolidation:
  - Technical updates (IASB)
  - Break-out discussions
  - Group feedback
  - IFRS Implementation:
  - Use of the IFRSs (IASB)
  - IFRS content distribution (IASCF)
  - Update on US developments (FASB)
  - Australia's IFRS experience

- Comments from WSS participants (India, Malaysia, Korea, Canada, Eastern Central and Southern African Federation of Accountants (ECSAFA), Israel, Japan and Chile)
- Implementation update: IFRIC and Annual improvements
- September 12:
  - IASB planning and priorities (IASB)
  - Implementing the [proposed] IFRS for private entities—the South African experience
  - IFRS for private entities: Technical update (IASB) and country plans
  - IFRSs Technical update (IASB) and Q&A
  - Project sessions:
    - Liabilities and equity
    - Reducing complexity in reporting financial instruments
    - Financial statement presentation
    - Revenue recognition

During the Use of IFRSs session, as a representative from Japan, the ASBJ Chairman Nishikawa commented on the ASBJ's efforts for convergence so far to solve the assessment of equivalence in Europe and stated that they intended to release an updated version of the Project Plan on September 19 and make active commitments to the projects provided in the Memorandum of Understanding (MoU) between the IASB and the FASB.

### 13. ASBJ Session at Japan Accounting Association 67<sup>th</sup> Annual Conference

On September 9, 2008, the ASBJ held a session at the 67<sup>th</sup> Annual Conference of the Japan Accounting Association at Rikkyo University's Ikebukuro campus. At the session, Vice Chairman Shigeo Sakase, Technical Manager Junji Ichihara and Technical Manager Kazuhide Kobori made reports on the theme "Update of the ASBJ's Activities."

At the session, which was chaired by Professor Shinya Saito of the International Graduate School of Social Sciences of Yokohama National University, Vice Chairman Sakase firstly introduced the recent circumstances surrounding accounting in Japan and the ASBJ's efforts toward convergence in response. Specifically, he explained the details of the "Tokyo Agreement" in August last year and the positioning of the Project Plan published in December last year as well as the ASBJ's efforts to collaborate with the IASB and the FASB.

Technical Manager Ichihara then explained the status of development of the standards for "short-term items" relating to the EU equivalence assessment and the "medium-term items" concerning other differences. Technical Staff Kobori then gave a presentation on the expected discussions on the project items related to the amended MoU between the IASB and the FASB and the ASBJ's plan for the relevant activities.



The venue was filled with many Association members and after the presentation by the ASBJ, participants actively exchanged questions and answers on the possibility to adopt the IFRS in Japan and the direction of the ASBJ activities, reflecting the Association members' high level of interest in the ASBJ's activities.

#### 14. Project Progress (As of October 1, 2008)

	2008 Q3	2008 Q4	2009 Q1	2009 Q2	2009 Q3	2009 Q4	2010
<b>1.Items advised by CESR for EU equivalence assessment purpose (short-term)</b>							
Business Combinations(Step 1)		Final					
Inventories(LIFO)	<i>Final</i>						
Impairments of fixed assets							
Intangibles (In-process R&D)		Final					
Retirement benefits(Discount rate)	<i>Final</i>						
Investment property		Final					
<b>2.Items related to the remaining differences between existing Japanese GAAP and IFRS(medium-term)</b>							
Business Combinations (Step 2: Issues for phase2)					DP		ED
Business Combinations (Step 2: Amortization of goodwill)					DP		ED
Intangibles							DP
Retrospective restatement (Change in accounting policy)				ED		Final	
Discontinued operations				DP		ED	Final
<b>3.Items related to the MoU between the IASB and the FASB(medium and long-term)</b>							
Scope of consolidations			DP			ED	Final
Financial statement presentation (Comprehensive income and other)				DP		ED	Final
Financial statement presentation (Phase B)				DP			
Revenue recognition				DP			
Liabilities and equity distinctions							
Financial instruments (Replacement of existing standards)			DP				
Financial instruments (Fair value measurement)			DP				
Post-employment benefits		DP					
Lease							
<b>4.Items related to the IASB projects other than the MoU between the IASB and the FASB(medium and long-term)</b>							
Earnings per share		TC		ED		Final	
Provisions		TC			DP		ED
Insurance contracts							

[Legend]

<b>WG</b>	Launch of Working Group	<b>TC</b>	Launch of Technical Committee
<b>RR</b>	Research Report	<b>DP</b>	Issue Paper, Discussion Paper
<b>ED</b>	Exposure Draft	<b>Final</b>	Standards/Guidance (Final Version)

***Italicized legends indicate finished events.***

## 15. Notices

### (1) Periodicals and Other Publications

#### “Accounting Standards & Disclosure Quarterly, Issue No. 22”

[Main contents]

- Featured Article 1: “The Overall Picture of [the Exposure Drafts of Accounting Standards regarding Business Reorganization and its Implementation Guidance](#)”
- Featured Article 2: “Trends in Global Convergence”
  - “The U.S. Views on International Convergence of Accounting Standards,” Robert Herz, Chairman and Michael Crooch, Board Member, FASB
  - “My Appointment as Chairman of the IASCF: Immediate Tasks for the IASCF,” Gerrit Zalm, Chairman of the Trustees, the IASCF
  - “The Future Perspectives of the EU’s Assessment of Equivalence,” Toshitake Kurosawa, Director, Inspection Division, Executive Bureau, Securities and Exchange Surveillance Commission
- Accounting Square: “Banks and the Corporate Accounting System,” Seiji Sugiyama, Chairman of the Japanese Bankers Association
- CFO Letter: “A Fair Internal Observer,” Naoto Takano, Senior Managing Director and CFO, Teijin Limited

#### “Guide for the Preparation of Quarterly Report (for the reporting on the second quarter ending September 30, 2008)”

This report has been prepared reflecting the results of discussions at the “Task Force on Disclosure Content for Securities Reports” established within the FASF. It also reflects the amendments of the Cabinet Office regulation relating to quarterly reporting made in August this year and highlights the issues for consideration and examples relating to disclosure specific to the second quarter. Therefore, it should be helpful for preparing reports for the second quarter.

These publications are in Japanese only and can be purchased through our website.

ASBJ Newsletter (No. 5)

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Editor: Akiyoshi Maruyama

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