

Accounting Standards Board of Japan (ASBJ)

Kowa Building No.9, 8-10, Akasaka 1-chome, Minato-ku, Tokyo 107-0052, Japan
Phone +81-3-5561-8449 Facsimile +81-3-5561-9624 URL <http://www.asb.or.jp/>



July 18, 2005

Mr. Robert P. Garnett, Chairman
International Financial Reporting Interpretations Committee

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

Dear Robert,

Comments on IFRIC D16 “Scope of IFRS 2”

Accounting Standards Board of Japan (ASBJ) is pleased to comment on IFRIC D16 “Scope of IFRS 2.” The views expressed in this letter are those of International Issues Standing Committee of ASBJ.

In general, we support the proposals of D16. However, we believe that D16 should add that the situation described in paragraph 9 is the case where the presumption in paragraph 13 of IFRS 2 that the fair value of the goods or services received can be estimated reliably is rebutted. The situation in paragraph 9 seems to result in measuring the goods or services received by reference to the fair value of the equity instruments granted. Although paragraph IE4 of Illustrative Example notes that in the situation of that example it will be necessary to rebut the presumption in IFRS 2 that the fair value of the goods or services received can be estimated reliably, we believe that the need to rebut the presumption should be noted in the main body of the Interpretation, since Illustrative Example is not part of the Interpretation.

We hope that our comments will contribute to the work of the IASB in arriving at its final decision.

Best Regards,

Ikuo Nishikawa
Chairman, International Issues Standing Committee
Vice-Chairman, Accounting Standards Board of Japan