

4 November, 2011

Representatives of IASB and ASBJ hold a biannual meeting

Representatives of the International Accounting Standards Board (IASB) and the Accounting Standards Board of Japan (ASBJ) held their fourteenth biannual meeting in London on 31 October and 1 November 2011. The meeting provided the first formal opportunity for the boards to meet since Hans Hoogervorst and Ian Mackintosh were appointed in July 2011 as the IASB's Chair and Vice-Chair respectively.

The boards discussed the joint work of the IASB and the US national standard-setter, the Financial Accounting Standards Board (FASB), to improve International Financial Reporting Standards (IFRSs) and US generally accepted accounting principles (GAAP) and to bring about their convergence.

The ASBJ supports the efforts of the IASB and the FASB towards developing high quality global accounting standards, and is making progress with its own work for convergence of Japanese GAAP and IFRSs by taking into consideration the progress of the IASB and FASB's joint projects.

In addition to these discussions, the boards exchanged views on the following projects undertaken by the IASB and the FASB:

- financial instruments (including the credit impairment model for financial assets);
- revenue recognition (including the recent deliberations that will lead to the re-exposure draft expected to be issued during the fourth quarter of 2011);
- leases (including the recent deliberations that will lead to the re-exposure draft expected to be issued in the first quarter of 2012); and
- investment entities (regarding the exposure draft, Investment Entities, published by IASB in August 2011).

The IASB and the ASBJ also discussed interpretation and practical issues relating to the voluntary application of IFRSs in Japan. In addition, the ASBJ exchanged views with the IASB regarding the Agenda Consultation 2011 that the IASB is undertaking to gather views on the strategic direction and the priority of agenda areas, among other things, over the next three years.

Representatives of the IASB and the ASBJ agreed that their ongoing discussions contribute to the development of high-quality accounting standards and reaffirmed that it is essential for them to maintain their close co-ordination, and for the ASBJ to continue to participate actively in the IASB's standard-setting process.

Hans Hoogervorst, Chair of the IASB, said, "This was a very successful and productive meeting. Of particular importance was the ASBJ's contribution to our ongoing agenda consultation. Japan is a major economy and has an important role to play in international standard-setting."

Ikuo Nishikawa, Chair of the ASBJ, stated, "We are pleased to continue the active discussions towards the development of high-quality global accounting standards with the IASB under new leadership of Hans Hoogervorst and Ian Mackintosh, Chair and Vice-Chair respectively. We will continue to contribute to the IASB's standard-setting activities by providing constructive opinion considering various views of Japanese constituents."

The next joint meeting is planned for early in the second quarter of 2012 in Tokyo, Japan.

End

About the International Accounting Standards Board

The IASB was established in 2001 and is the standard-setting body of the IFRS Foundation, an independent, private sector, not-for-profit organisation. The IASB is committed to developing, in the public interest, a single set of high quality global accounting standards that provide transparent and comparable information in general purpose financial statements. In pursuit of this objective the IASB conducts extensive public consultations and seeks the co-operation of international and national bodies around the world. The IASB has 15 full-time members drawn from 11 countries and a variety of professional backgrounds. By 2012 the Board will be expanded to 16 members. Board members are appointed by and accountable to the Trustees of the IFRS Foundation, who are required to select the best available combination of technical expertise and diversity of international business and market experience. In their work the Trustees are accountable to a Monitoring Board of public authorities.

About the Accounting Standards Board of Japan

The Accounting Standards Board of Japan (ASBJ) was established in July 2001 as a private-sector organization. Accounting standards developed by the ASBJ are to be authorized by the Financial Services Agency as part of generally accepted accounting principles. The ASBJ develops accounting standards and implementation guidance that appropriately reflect the environment in which business enterprises operate. The ASBJ also communicates with corresponding organizations abroad and contributes to the development of high quality global accounting standards. For more information about the ASBJ, visit its website at https://www.asb.or.jp/asb/top_e.do.