

THE MARINE & FIRE INSURANCE ASSOCIATION OF JAPAN, INC.

Non-Life Insurance Building, 9, Kanda Awajicho 2-Chome, Chiyoda-Ku, Tokyo 101-8335, Japan

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February 15, 2002

International Accounting Standards Board

30 Cannon Street, 1st Floor

London EC4M 6XH

United Kingdom

Comments on Exposure Draft of a Proposed  
PREFACE TO INTERNATIONAL FINACIAL REPORTING STANDARDS

Dear Sirs,

We are pleased to have an opportunity to comment on the Proposed PREFACE TO INTERNATIONAL FINACIAL REPORTING STANDARDS. Our Association, the Marine and Fire Insurance Association of Japan, Inc., was originally established in 1917 and reestablished in 1946 by all the domestic non-life insurance companies. Despite the name, it is in substance the non-life insurance association. The objective is to promote the sound development of the non-life insurance industry in Japan.

We would much appreciate it if you would take our views into consideration in finalizing the Preface.

Yours sincerely,

Yoshinori Tomihari

Chairman

Accounting Committee

The Marine and Fire Insurance Association of Japan, Inc.

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Following are comments from the Marine and Fire Insurance Association of Japan with respect to the Exposure Draft of a Proposed Preface to International Financial Reporting Standards.

### Scope and Authority

#### **Question 1.**

##### **Is the Board's proposed scope clearly defined and appropriate?**

We believe the Board has clearly identified the scope and authority of International Financial Reporting Standards and Interpretations.

#### **Question 2.**

##### **Do you agree with these proposals? Why or why not?**

We agree with the proposal that IASB will discontinue the use of different types of font. As stated in the Exposure Draft, it might be misleading to use both bold italic type and plain type in the Standards, since some might consider the bold italic type paragraph to be more important.

### Due Process

#### **Question 3.**

##### **Are the Board's proposals appropriate? Are any proposed steps unnecessary? Are there any additional steps that should be incorporated?**

We think that the Board's proposals are appropriate in general. Following are the suggestions which we believe would make the outcome of the projects more reliable and useful.

#### **Paragraph 19-(d)**

Formation of an advisory group to give the Board on the project...

#### **Possible Amendment**

Add "Such group may include members from the above mentioned interested individuals and organisations."

#### **Reason for amendment**

It would be helpful to have such advisory members to help IASB members fully understand the nature of the project. Members from a business community would especially be able to contribute to find any gap between the academically ideal accounting and practical accounting so that the standards could be implemented smoothly.

#### **Paragraph 20**

#### **Suggestion**

Any guidance of the nature of interpretation, prepared by any other individual or organization than IFRIC at the request of IFRIC or IASB, should also be reviewed and approved by the IFRIC.

#### **Paragraph 20 (c)**

#### **Suggestion**

Add "inclusion of any dissenting opinions held by the IFRIC members and a basis for conclusion".

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**General**

**Question 4.**

**Are there any other matters that should be addressed in the Preface to IFRS?**

None.