

**The Security Analysts Association of Japan**

Daini Shokenkaikan Bldg., 2-1-1, Nihonbashi-Kayabacho  
Chuo-ku, Tokyo 103-0025, Japan

Telephone: (03)3666-1515

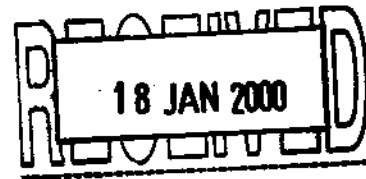
Facsimile: (03)3666-5845

E-mail address: intl@saa.or.jp

January 18, 2000

CL 9

Sir Bryan Carsberg  
Secretary-General  
International Accounting  
Standards Committee  
167 Fleet Street London, EC4A 2ES  
U.K.



Comments on International Accounting Standard  
Exposure Draft E65 - Agriculture

Dear Sir Bryan,

We are pleased to present SAAJ's comments on International Accounting  
Standard Exposure Draft E65 - Agriculture

Yours sincerely,

Toshihiko Amano  
Managing Director

cc: Ms. Patricia D. McQueen, AIMR

**CL 9**

January 14, 2000

**Comments on International Accounting Standard  
Exposure Draft E65 - Agriculture**

**The Security Analysts Association of Japan**

1. The Security Analysts Association of Japan is agreeable to establishing an International Accounting Standard on accounting with respect to agricultural activity so as to enhance the comparability of financial statements.
2. Our responses to the specific questions presented by the IASC Board in this Exposure Draft and related comments on them are as follows:
  - (1) Question 1: We agree with proposal (a). We believe the guidance in paragraphs 4-7 for distinguishing between agricultural activity and further processing is adequate.
  - (2) Question 2: We agree with proposal (a).
  - (3) Question 3: We agree with proposal (a).
  - (4) Question 4: We agree with proposal (a).
  - (5) Question 5: We agree with proposal (a).
  - (6) Question 6: We agree with proposal (a).
  - (7) Question 7: We agree with proposal (b). We believe the treatment of a government grant should be consistent with accounting for grants in general.
  - (8) Question 8: We agree with proposal (c). From the standpoint of analysts, disclosure of more detailed information is desirable.
  - (9) Question 9: We agree with proposal (a).
  - (10) Question 10: We agree with proposal (a).
  - (11) Question 11: We agree with proposal (c). In principle, classification by nature of expenses should be given. We believe, however, there are cases in which classification by function would be appropriate.
  - (12) Question 12: We agree with proposal (a).
  - (13) Question 13: We agree with proposal (a). In addition to disclosure of the discount rate and number of years over which future cash flows have been estimated, it is desirable to require disclosure of risk characteristics such as the impact of a one percentage point change in the discount rate on income.

**CL 9**

(14) Question 14: We agree with proposal (a).

(15) Question 15: We have no specific comments regarding this question.

(End of comments)