

Summary of the second meeting of IFRS Council

* The meeting was held jointly with the second meeting of Strategic Committee for IASB.

1. Date and Time

August 31, 2009, 11:00 – 12:45

2. Location

At the conference room #5 of Financial Accounting Standards Foundation

3. Agenda

(1) Activity reports and updates of future plans by Strategic Committee for IASB and each Task Force Committee

- Reports from each committee
- Exchange of views

(2) Accounting Standards for Financial Instruments

- Issue identification
- Views from participants
- Exchange of views

4. Summary of discussion

(1) Activity reports and updates of future plans by Strategic Committee for IASB and each Task Force Committee

Chairs of committees delivered presentations on their activities since the establishment of IFRS Council in July 2009, and updated future plans based on handouts. The participants then exchanged their views on various issues, *inter-alia*, whether to address IFRS in the CPA examination, and whether implementation guidance should be necessary at practice when IFRS is applied.

(2) Accounting Standards for Financial Instruments

The outline of IASB's Exposure Draft "Financial Instruments: Classification and Measurement" was briefed, and the participants respectively expressed their views on the proposal. Members seem to agree with its general principle, but noted the concerns such that dividends received should be presented in net profit; fair value measurement of unlisted shares should not be appropriate in all cases; and that the proposal may undermine the usefulness of net profit information as it does not require re-cycling of OCI.

5. Next Meeting

Next meeting is scheduled in early November 2009.