

International Accounting Standards Board  
Columbus Building  
7 Westferry Circus  
Canary Wharf  
London E14 4HD  
United Kingdom

November 16, 2021



Japanese Bankers Association

**Comments on the International Accounting Standards Board’s Exposure Draft ED/2021/6**  
***Management Commentary***

The Japanese Bankers Association (the “JBA”)<sup>1</sup> is pleased to provide comments on the Exposure Draft *Management Commentary* published by the International Accounting Standards Board (the “IASB”).

Our comments herein are provided from the preparer’s perspective. We hope that our comments will contribute to your further discussions.

**Answers to specific questions**

**Question 11 —Completeness, balance, accuracy and other attributes**

(a) Chapter 13 proposes to require information in management commentary to be complete, balanced and accurate and discusses other attributes that can make that information more useful. Chapter 13 also proposes guidance to help management ensure that information in management commentary possesses the required attributes.

Paragraphs BC97-BC102 and BC114-BC116 explain the Board’s reasoning for these proposals.

Do you agree with these proposals? Why or why not? If not, what do you suggest instead and why?

(Comment)

We disagree with the IASB’s proposal “*to retain the 2010 Practice Statement requirement that information in management commentary should possess the attributes of useful financial information set out in the Conceptual Framework.*”

---

<sup>1</sup> The Japanese Bankers Association is an organization that represents the banking industry in Japan. Its members are banks and bank holding companies operating in Japan.

(Rationale, etc.)

Paragraph BC98(b) states that “*information in management commentaries is broader than information in financial statements. For example, management commentaries are likely to contain more qualitative and forward-looking information than financial statements and to provide information about matters that may not have led to recognition or even disclosure in the financial statements.*” This indicates that information in management commentary and information in financial statements significantly differs primarily in terms of the contents and objectives. It would therefore not be reasonable to require information in management commentary to possess the same qualitative attributes set out in the *Conceptual Framework* because it was developed specifically to be applied to financial statements. Considering that management commentary intends to provide management’s vision and insights, even if additional guidance is provided, satisfying the attributes such as “completeness,” “balance” and “comparability” is difficult due to the fact that the concept of materiality differs between management commentary and financial statements, and objectivity may not be ensured because of the nature of management commentary.

(End)