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本署編號 Our Ref.: (12) in UG/ASN/HKI/0 VOL 7

來函編號 Your Ref.:

5 September 2011

Mr Steve Ong
Director, Standard Setting
Hong Kong Institute of Certified Public Accountants
37th Floor, Wu Chung House
213 Queen's Road East
Wanchai, Hong Kong
(Fax: 2865 6776)

Dear Mr Ong,

**Invitation to comment on:
IASB Exposure Draft of Proposed Improvements to IFRSs (Fourth Set)
IASB Request for Views on Agenda Consultation 2011**

Thank you for your letter of 2 August 2011 inviting the Audit Commission to comment on the captioned subjects.

IASB Exposure Draft of Proposed Improvements to IFRSs (Fourth Set)

We agree with the IASB's proposals to amend IFRS1, IAS1, IAS16, IAS32 and IAS34 as set out in the exposure draft. We also agree with the transitional provisions and effective date for the proposals. In our view, the proposed amendments are reasonable and appropriate. They will help remove ambiguities and inconsistencies and will provide useful guidance to both practitioners and financial statement users.

IASB Request for Views on Agenda Consultation 2011

We agree with the two main categories of work identified by the IASB on the development of financial reporting and the maintenance of the existing IFRSs, and the five strategic areas within them. In our view, it is important and necessary to include the development of principles on account presentation and disclosure in the conceptual financial reporting framework. This would help address concerns of some stakeholders that disclosure requirements in IFRSs are too voluminous. We also support the IASB's initiative to proactively research strategic issues for financial reporting and to undertake post-implementation reviews of new IFRSs. This would enable the IASB to identify the needs for changes in accounting standards on a more timely basis and would lead to more efficient standard-setting in the future.

Yours sincerely,

(W O TEO)

for Director of Audit