



11 May 2012

To: **Members of the Hong Kong Institute of CPAs**
All other interested parties

**INVITATION TO COMMENT ON IFRS FOUNDATION CONSULTATION
DOCUMENT OF *DUE PROCESS HANDBOOK***

Comments to be received by 1 August 2012

The Hong Kong Institute of Certified Public Accountants' (Institute) Financial Reporting Standards Committee (FRSC) is seeking comments on the IFRS Foundation Consultation Document which has been posted on the Institute's website at:

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/financial-reporting/exposure-drafts/> .

The Handbook describes the steps followed by the IASB in developing or revising International Financial Reporting Standards (IFRSs), required or permitted for use by companies in more than 100 countries. Although previous revisions have been made to the handbook, this is the first time a major review has been undertaken since 2006.

The revised Handbook fully incorporates the necessary due process enhancements recommended by the recent Monitoring Board Governance Review and Trustees' Strategy Review, as well as recommendations from the Trustees' Review of the Efficiency and Effectiveness of the IFRS Interpretations Committee.

The proposed revisions to the Handbook are to:

- consolidate the due process requirements of the IASB and the IFRS Interpretations Committee, in addition to the protocols for due process oversight by trustees, into a single document.
- include a more extensive discussion of the process of assessing the likely effects of an IFRS.
- propose a methodology for the completion of post implementation reviews.
- reflect the ability of the Monitoring Board to refer urgent issues for consideration by the IASB.
- include consideration of due process requirements related to the extensive programme of outreach activities that is now routinely conducted by the IASB as part of its standard-setting activities.
- incorporate other enhancements to the IASB's due process resulting from the more active dialogue with the Trustees' Due Process Oversight Committee (DPOC).

Comments should be supported by specific reasoning and should be submitted in written form.

To allow your comments on the IFRS Foundation Discussion Document to be considered, they are requested to be received by the Institute on or before **1 August 2012**.



Hong Kong Institute of
Certified Public Accountants
香港會計師公會

Comments may be sent by mail, fax or e-mail to:

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Comments will be acknowledged and may be made available for public review unless otherwise requested by the contributor.