



Minutes of the 200<sup>th</sup> meeting of the Financial Reporting Standards Committee held on Tuesday, 8 May 2012 at 8:30 a.m. in the Board Room of the Hong Kong Institute of Certified Public Accountants, 37/F., Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong.

Present: Mr. Clement Chan (Chairman)  
Mrs. Catherine Morley (Deputy Chairman)  
Mr. Stephen Chan  
Mr. Colin Chau  
Mr. Raphael Ding  
Mr. Henri Fok  
Ms. Caron Hughes  
Ms. Kelly Kong  
Ms. Susanna Lau  
Mr. Ernest Lee  
Mr. William Lim  
Mr. Eugene Liu  
Mr. Steve Ong  
Mr. Paul Phenix  
Mr. Kenneth Siu  
Ms. Shelley So  
Ms. Florence Wong

In attendance: Ms. Winnie Chan, Manager, Standard Setting  
Mr. Ambrose Wong, Manager, Standard Setting

Apologies for absence were received from Mr. Vincent Ching, Mr. James Fawls, Ms. Elsa Ho and Mr. Nelson Lam.

	<u>Action</u>
<p>1. <b><u>Welcome to new members</u></b></p> <p>The Chairman welcomed Mr. Vincent Ching and Mr. Steve Ong as new members to the Committee.</p>	
<p>2. <b><u>Minutes of the 199<sup>th</sup> meeting</u></b></p> <p>The minutes of the 199<sup>th</sup> meeting were approved by the Committee and signed by the Chairman.</p>	
<p>3. <b><u>Report on the various international meetings in Kuala Lumpur</u></b></p> <p>The Chairman and the Manager of the Standard Setting Department attended the Asian-Oceanian Standard-Setters Group (AOSSG) Meeting on 25 March, the IFRS Regional Policy Forum on 26 – 27 March and International Forum of Accounting Standard Setters (IFASS) Meeting on 29 – 30 March in Kuala Lumpur.</p> <p>The Committee received a report of the meetings and the Chairman briefed the Committee on the key matters discussed at the AOSSG meeting and the IFRS Regional Policy Forum as follows:</p> <ul style="list-style-type: none"><li>● The possibility of establishing an IFRS Center of Excellence in developing countries</li><li>● Relationship between the IASB and regional groups and national standard setters</li></ul>	

- Progress of US convergence with IFRSs

In addition, the Manager of the Standard Setting Department reported the progress of various projects that had been discussed at the IFASS meeting:

- the latest developments of key IFRS projects (i.e. revenue recognition, leases, financial instruments and insurance project)
- the Unit of Account project led by the Canadian Accounting Standards Board
- the project on the Model for National Standards-Setters led by the Australian Accounting Standards Board
- Sharman Inquiry in UK

Some members expressed concerns that the application of unit of account in existing IFRS is not clear, the Chairman invited members to provide their comments to the Standard Setting Department.

#### **4. IFRS Regional Policy Forum 2013 in Hong Kong**

The Committee was advised that the Institute had indicated an interest in hosting the next IFRS Regional Policy Forum in 2013, subject to the approval of the Council. The Committee agreed that a Steering Committee that would be responsible for developing the programme of the Forum should be set up. The proposed membership of the Steering Committee was discussed and agreed at the meeting. Further nominations from members were welcomed.

#### **5. Outreach activities for HKFRS 10 Consolidated Financial Statements**

The Committee agreed that the new standard of HKFRS 10 contains certain requirements which require exercise of significant judgment. The Committee then discussed the situations concerning financial institutions and fund industry that involved agent/principal relationships. To raise their awareness, the Committee considered that a working group should be set up to organize outreach activities for fund industry. The Standard Setting Department was requested to approach the Hong Kong Investment Fund Association to understand their usual training activities for members and to explore the possibility of organizing a joint event with those involved in the fund industry.

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#### **6. Annual Accounting Update Conference 2012**

The Committee noted that the Annual Accounting Update for 2012 would be held on 10 November 2012 and the Chairman agreed to chair the conference.

The Committee generally agreed with the topics proposed by the Standard Setting Department, which mainly focus on the new HKFRSs that are applicable in 2012. The Chairman requested members to consider any other hot topics that should be covered in the Conference and revert to the Standard Setting Department.

7. **Report on the HKICPA/IASB Outreaching Roundtable Meeting**

The Committee noted that an outreach roundtable meeting with the investors, analysts and financial statements users was held by the Institute and the IASB on 30 March 2012. Hilary Eastman of the IFRS Foundation participated in the roundtable. The roundtable meeting was well received by the local communities. It was noted that the investors and users of financial statements shared their views on how to make financial statements more useful at the roundtable meeting.

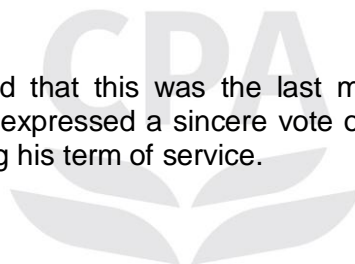
8. **Proposed visit from Vietnam MoF**

The Committee noted that the Institute received a request from Vietnam MoF for a meeting with their accounting standard setting team to share practical experience in the application of IFRS in Hong Kong. The Committee suggested that members from different working groups could be invited to attend the meeting. The Standard Setting Department was requested to obtain more information from Vietnam MoF about its visit and reported at the next meeting.

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9. **Vote of thanks**

The Chairman advised that this was the last meeting for Mr. Raphael Ding. The Committee expressed a sincere vote of thanks to Mr. Ding for his contributions during his term of service.



There being no further business, the meeting closed at 11:00 a.m.

CLEMENT CHAN  
CHAIRMAN

14 May 2012