



Minutes of the 225th meeting of the Financial Reporting Standards Committee held on Tuesday, 10 November 2015 at 8:30 a.m. in the Room 5 of the Hong Kong Institute of Certified Public Accountants, 27/F., Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong.

Members present: Ms. Catherine Morley (Chairman), KPMG  
Ms. Shelley So (Deputy Chairman), PricewaterhouseCoopers  
Mr. Gary Biddle, University of Hong Kong  
Mr. Vincent Ching, The Hong Kong Polytechnic University (represented by Ms. Josephine Wong)  
Ms. Candy Fong, Deloitte Touche Tohmatsu  
Ms. Kelly Kong, Jardine Matheson & Co., Limited  
Ms. Susanna Lau, Securities and Futures Commission  
Mr. Ernest Lee, Ernst & Young (represented by Ms. Juliana Tse)  
Ms. Fanny Leung, Government of HKSAR, Treasury  
Mr. Steve Ong, Stock Exchange of Hong Kong Limited  
Mr. Paul Phenix, Baker Tilly Hong Kong Limited  
Mr. Gary Stevenson, BDO Limited  
Ms. Florence Wong, Financial Reporting Council  
Mr. Davis Yu, HLB

Staff in attendance: Ms. Christina Ng, Head of Financial Reporting, Standard Setting  
Ms. Winnie Chan, Associate Director, Standard Setting  
Ms. Kam Leung, Associate Director, Standard Setting  
Ms. Eky Liu, Associate Director, Standard Setting  
Mr. Ben Lo, Associate Director, Standard Setting  
Ms. Katherine Leung, Manager, Standard Setting

Apologies: Mr. James Fawls, HSBC  
Mr. Eugene Liu, RSM Nelson Wheeler

1. **Minutes of the 224th meeting**

The Committee approved and the Chairman signed the minutes of the 224th meeting.

2. **Report on recent standard-setting events**

The Committee was provided with an update on the following standard-setting events, including the common key issues and views raised:

- Asia-Oceania Standard-Setters Group Interim Meeting (27 Sep)
- IASB World Standard Setters Conference (28 – 29 Sep)
- International Forum of Accounting Standard Setters (29 – 30 Sep)
- IASB Accounting Standards Advisory Forum (1 – 2 Oct)
- IASB Research Forum (11 Oct)
- Joint HKICPA and IFRS Foundation IFRS Conference (12-13 Oct)
- Private meeting with IASB members (12 Oct)
- Joint MoF and IFRS Foundation IFRS Stakeholder Symposium and Dinner (14 Oct)

Action

3. **IASB Exposure Drafts (ED) on Conceptual Framework**

The Committee considered the near final Institute submissions that were prepared through the Working Group (WG) in response to the IASB ED/2015/3 *Conceptual Framework for Financial Reporting* and IASB ED/2015/4 *Updating References to the Conceptual Framework*.

The Committee directed the SSD to finalise the submissions out-of-session for the Committee's approval.

SSD

4. **IASB Request for Views 2015 Agenda Consultation**

The Committee commented on the SSD's preliminary draft comments in relation to the IASB's *2015 Agenda Consultation*. The SSD was requested to prepare a near-final submission for the next FRSC meeting for the Committee's approval.

SSD

5. **IASB Draft IFRIC Interpretations**

The Committee noted that the IASB issued (i) Draft IFRIC Interpretation DI/2015/1 *Uncertainty over Income Tax Treatments*; and (ii) Draft IFRIC Interpretation DI/2015/2 *Foreign Currency Transactions and Advance Consideration*.

The Committee agreed that the SSD should discuss DI/2015/1 with subject matter experts in practice for the purpose of developing the Institute's submission.

The Committee noted that DI/2015/2 is clarification in nature, and accordingly agreed that no WG is necessary to deal with this Draft IFRIC Interpretation.

The SSD was directed to prepare the draft submissions on these draft interpretations for the next FRSC meeting.

SSD

6. **Verbal report from the WG on Companies Ordinance (CO) application issues on financial reporting**

The Committee noted that the WG is considering a wish list of amendments to the new CO and the draft editorial amendments to the Small and Medium-sized Entity Financial Reporting Framework and Financial Reporting Standard that reflect the clarification of certain new CO requirements.

7. **Update on the progress of the issue on the insurance broker's accounting treatment for insurance premium receivable from policyholders**

The Committee noted that the Insurance Regulatory Liaison Group (IRLG) representatives met with the Hong Kong Confederation of Insurance Brokers (CIB) to discuss diversity in practice regarding insurance broker's accounting specifically, in relation to insurance premium receivable from policyholders. The Committee also noted that the CIB agreed that guidance on this issue should be provided.

The SSD will follow up with the IRLG on the next steps for developing the guidance and report back to the Committee at the next FRSC meeting.

SSD

**8. Revised 2015 FRSC work plan and activities**

The Committee noted the developments outlined in the revised 2015 FRSC work plan and activities.

There being no further business, the meeting closed at 11:15 a.m.

CATHERINE MORLEY  
CHAIR

12 November 2015