

# Financial Accounting Standards Committee

## Meeting summary – January 2004

The Society's Financial Accounting Standards Committee (Committee) met on 14 January 2004.

Present at the Committee's meeting were: Messrs. Paul F. Winkelmann (Chairman), Wilson Fung (Deputy Chairman), Nigel Reid (Deputy Chairman), Chan Lok Sang, Choy Chung-foo (represented by Mr. Vingle Yuen), Tommy Fung, Robert Gibson, Philip Hilliard, Quinn Y.K. Law, Tommy Tam, Stephen Taylor, Ms. Rebecca Chan, Ms. Susanna Lau, Mrs. Catherine Morley, Mr. Simon Riley (HKSA Technical Director, Financial Reporting) and Ms. Elsa Ho (HKSA Assistant Director, Financial Reporting).

The Chairman welcomed Mr. Wilson Fung, Ms. Rebecca Chan and Ms. Catherine Morley to the meeting as members of the Committee. The Committee expressed gratitude to the retiring members, Messrs. Roger Best, Carlson Tong, William Crowe and Woody Wu and Ms. Olivia Cheung for their support and contribution to the Committee.

The Committee discussed the following items:

- ✓ IASB Improvements project
- ✓ Accounting and Reporting by Retirement Benefit Plans - proposed ED/SSAP 37 and replacement of Statement 2.302

### IASB Improvements project

The Committee considered draft revised accounting standards based on the following revised International Accounting Standards released recently by the IASB as part of its improvements project:

- ✓ IAS 2 *Inventories*
- ✓ IAS 10 *Events after the Balance Sheet Date*
- ✓ IAS 16 *Property, Plant and Equipment*
- ✓ IAS 21 *The Effects of Changes in Foreign Exchange Rates*
- ✓ IAS 24 *Related Party Disclosures*
- ✓ IAS 33 *Earnings Per Share*

The Committee agreed to the following:

- ✓ In respect of the revised IASB's Standards, so as to maintain convergence, comparable changes would be made to the Hong Kong accounting standards. An explanatory note will be developed identifying the changes made to the Hong Kong SSAPs as a result of the improvements project.
- ✓ The revised Hong Kong standards should be published within the next few months, will come into effect for periods beginning on or after 1 January 2005, will be re-named as "Hong Kong Accounting Standards" and the numbering will be aligned with the IASB's documents.
- ✓ For those SSAPs not revised as a result of the IASB's improvements, and for which significant differences remain, the FASC will issue in the forthcoming months an exposure draft proposing convergence with the IASB's Standards. Joint ventures, investment property and leases will be included in this ED.

### Accounting and Reporting by Retirement Benefit Plans – proposed ED/SSAP 37 and replacement of Statement 2.302

The Committee considered a draft proposed ED/SSAP 37, which is converged with IAS 26 on accounting and reporting by retirement benefit plans. The Committee considered comments received from the HKSA Expert Panel on Insurance and the Mandatory Provident Fund Schemes Authority and agreed to release the exposure draft for public comment.

### Date of Next Meeting

The Committee will next meet on 11 February 2004.

This meeting summary is provided for the information and convenience of those who wish to follow the Committee's deliberations. Except where indicated otherwise, all conclusions reported are tentative and may be changed at future meetings.

The IASB publishes summaries of its meetings and projects. These can be found on the IASB's website at <http://www.iasb.org.uk>.

The Committee welcomes comments on its technical agenda. Please e-mail us at [commentletters@hksa.org.hk](mailto:commentletters@hksa.org.hk).