

From: hkicpa_ia
To: [P.T. Comment Letter](#)
Cc: [Tony Chan](#); [Kay SZETO](#); [Bill Li](#)
Subject: RE: Invitation to Comment on IFRS Interpretations Committee Tentative Agenda Decisions
Date: Monday, 24 April 2023 2:48:25 pm

Dear Standard Setting Department of Hong Kong Institute of Certified Public Accountants,

Invitation to Comment on IFRS Interpretations Committee Tentative Agenda Decisions

I refer to your letter of 23 March 2023 inviting us to comment on the captioned consultation document.

Regarding the IFRS Interpretations Committee Tentative Agenda Decisions on Premiums Receivable from an Intermediary (IFRS 17 and IFRS 9) , we would like to make the following comments:

- With regard to View 1 (insurer removes premiums receivable from an intermediary from the measurement of a group of insurance contracts only when the insurer receives the premiums in cash), questions could be raised on whether such treatment reflects insurer's right in the transaction. As in the submitted fact pattern, when the policyholder pays the premium to an intermediary under the insurance contract, the insurer is legally obligated to provide insurance contract services to the policyholder as if the policyholder pays the insurer, while a separate right arises from the service agreement between the insurer and the intermediary. View 1 does not account for insurer's right from the service agreement with the intermediary, particularly the authority of the intermediary to collect premiums.
- While the IFRS Interpretations Committee tentatively decided not to add a standard-setting project to the work plan as the project would not result in an improvement in financial reporting that would be sufficient to outweigh the cost, HKICPA may consider to discuss or understand the matter at the local domain in the Insurance Advisory Panel as a common HKFRS 17 implementation matter.

Thank you for giving us the opportunity to comment on the consultation document.

Yours faithfully,

Tony Chan
Associate Director
Policy and Development Division
Insurance Authority

From: P.T. Comment Letter <commentletters@hkicpa.org.hk>
Sent: Thursday, 23 March, 2023 11:44 AM

Subject: Invitation to Comment on IFRS Interpretations Committee Tentative Agenda Decisions

Dear Sir/Madam,

Invitation to Comment on IFRS Interpretations Committee Tentative Agenda Decisions

We are writing to seek your organization's comments on the following IFRS Interpretations Committee Tentative Agenda Decisions (TADs).

- [Guarantee over a Derivative Contract \(IFRS 9\)](#)
- [Premiums Receivable from an Intermediary \(IFRS 17 and IFRS 9\)](#)
- [Homes and Home Loans Provided to Employees](#)

Invitation to Comment and the respective tentative agenda decision can be accessed on the HKICPA website at:

<https://www.hkicpa.org.hk/en/Standards-setting/Standards/Open-for-comment-documents/fred>

We would be grateful for your comments on the TADs by **24 April 2023**.

Thank you.

Yours faithfully,
Standard Setting Department
Hong Kong Institute of Certified Public Accountants
CPA: *The Success Ingredient*

This email (including every file transmitted with it) is solely for the use of the intended recipient(s). The recipient(s) should delete this email once the purpose for which it is transmitted has been satisfied. If you are not the intended recipient, you must not peruse, use, disseminate, distribute or copy this email. Please notify the sender and delete this email immediately if it is misdirected to you.