



Minutes of the 208th meeting of the Financial Reporting Standards Committee held on Wednesday, 13 November 2013 at 2:30 p.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 (Chair)
Mrs. Catherine Morley (Deputy Chair)
Mr. John Chong
Ms. Susanna Lau
Mr. Ernest Lee
Mr. William Lim
Mr. Eugene Liu
Mr. Raymond Ng
Mr. Steve Ong
Mr. Paul Phenix
Ms. Shelley So (represented by Mr. Nigel Dealy)
Mr. Gary Stevenson
Ms. Florence Wong
Mr. Davis Yu

In attendance: Mr. Simon Riley, Director, Standard Setting
Ms. Winnie Chan, Associate Director, Standard Setting
Mr. Ben Lo, Associate Director, Standard Setting

Apologies for absence were received from Mr. Colin Chau, Mr. Vincent Ching, Mr. James Fawls and Ms. Kelly Kong.

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| <p>1. <u>Report on IFRS Advisory Council Meeting on 14 and 15 October 2013</u></p> <p>Mr. Roger Best, HKICPA representative on the IFRS Advisory Council provided a verbal and written report on the major items discussed at the Council's most recent meeting as follows:</p> <ul style="list-style-type: none">(i) Updates on the IASB's and Trustees' activities;(ii) Discussion on differentiating between Application Guidance and Illustrative Examples;(iii) Interaction of International Valuation Standards and IFRS(iv) IASB Effects Analysis(v) Feedback received on respect of the Leases Standard <p>The Committee also agreed that in order to better reflect the views of the Hong Kong's constituency on the IASB projects, Mr. Best would provide members with the agenda material before the IFRS Advisory Council Meeting and report to the Committee after each meeting.</p> | |
| <p>2. <u>Minutes of the 207th meeting</u></p> <p>The minutes of the 207th meeting were approved by the Committee and signed by the Chair.</p> | |
| <p>3. <u>Report on international meetings</u></p> <p>The Chairman and the Director of Standard Setting attended various international meetings in London: the International Forum of Accounting</p> | SSD |

Standard Setters (IFASS) meeting on 19 – 20 September, World Standard Setters meeting on 23 – 24 September and the Accounting Standards Advisory Forum (ASAF) on 25 – 26 September. The Three Countries (China-Korea-Japan) Meeting in Tokyo on 6 November was also attended.

The Director of Standard Setting reported that conceptual framework, credit impairment and insurance were major topics that were being discussed at the international meetings. The relevant meeting summary and agenda papers would be provided to members for reference and further comments.

4. Forthcoming AOSSG Annual Meeting

The Director of Standard Setting advised the Committee that the AOSSG Fifth Annual Meeting will be held on 27 – 28 November 2013 in Sri Lanka. Hong Kong will take up chairmanship of the AOSSG at the meeting for a period of two years and the HKICPA will act as the secretariat of the AOSSG during the chairmanship. Some members raised concerns on the sufficiency of resources in the Standard Setting Department and the Chairman reported that a part-time secondment will be arranged with the Australian Accounting Standards Board, the outgoing chair of AOSSG, to help to maintain continuity and smooth the handover.

5. IASB Discussion Paper on Conceptual Framework

The Working Group Meeting had its first meeting on 24 October and a draft submission was circulated among the Working Group for comments. Since the conceptual framework project is fundamental to all financial reporting standards, the Committee agreed that a detailed discussion would be carried out at the next meeting to ensure all the comments received from constituents are appropriately addressed.

6. Companies Ordinance (Financial Reporting) Application Issues

The Working Group had its first and second meeting on 9 September and 13 September respectively. The Deputy Chair (as Chair of the Working Group) reported to the Committee that the first draft guidance for the preparation of a business review was discussed at the meeting. It was agreed that the guidance should be intended for unlisted companies and any extra guidance should be clearly distinguished from the requirements of the new Companies Ordinance.

In addition, the Working Group had further discussed a number of financial reporting application issues relating to the interaction of new Companies Ordinance and IFRS 10. The Working Group will continue discussion on the various application issues at forthcoming meetings.

7. Limited Invitation to Comment on Consultation Draft of Small and Medium Sized Entity Financial Reporting Framework and Financial Reporting Standards (Revised)

It was noted that the consultation ended on 25 October and the Standard Setting Department was in the progress of analyzing the comment letters. Feedback and recommendations will be provided to the Committee at forthcoming meetings.

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There being no further business, the meeting closed at 5:00 p.m.

Action

2 December 2013

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CHAIRMAN



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