



19 July 2013

To: **Members of the Hong Kong Institute of CPAs**
All other interested parties

INVITATION TO COMMENT ON IASB DISCUSSION PAPER OF *CONCEPTUAL FRAMEWORK*

Comments to be received by 16 December 2013

The Hong Kong Institute of Certified Public Accountants' (Institute) Financial Reporting Standards Committee (FRSC) is seeking comments on the IASB Discussion Paper which has been posted on the Institute's website at:

http://www.hkicpa.org.hk/file/media/section6_standards/standards/FinancialReporting/ed-pdf-2013/dp_cf.pdf

As stated in the IASB's press release, accompanying the Discussion Paper, the existing *Conceptual Framework* has enabled the IASB to develop high quality IFRS that have improved financial reporting. However, it does not cover some important areas and some guidance needs updating.

In 2011, the IASB carried out an extensive public consultation to assist in identifying priorities for its agenda. Most respondents to that consultation identified work on the *Conceptual Framework* as a high priority.

This Discussion Paper is designed to obtain initial views and comments on important issues that the IASB will consider as it develops an Exposure Draft of a revised *Conceptual Framework*. The issues include:

- definitions of assets and liabilities;
- recognition and derecognition;
- the distinction between equity and liabilities;
- measurement;
- presentation and disclosure; and
- other comprehensive income.

The FRSC invites your comments on the proposals. Comments should be supported by specific reasoning and should be submitted in written form. To allow your comments to be considered, in developing its response to the IASB, the FRSC requests your comments to be received by the Institute on or before **16 December 2013**.

Comments may be sent by mail, fax or e-mail to:

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Comments will be acknowledged and may be made available for public review unless otherwise requested by the contributor.