



Our Ref.: C/FRSC

Sent through email

16 March 2015

Hans Hoogervorst
Chairman
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

Dear Hans,

Effective date of IFRS 15 *Revenue from Contracts with Customers*

The Hong Kong Institute of Certified Public Accountants is the only body authorised by law to promulgate financial reporting, auditing and ethical standards for professional accountants in Hong Kong.

As you may be aware, in accordance with our convergence policy, we issued HKFRS 15 *Revenue from Contracts with Customers* shortly after the issuance of IFRS 15. HKFRS 15 is a word-for-word adoption of IFRS 15, with the same transitional provisions and effective date.

We have therefore been monitoring the progress of the joint IASB/FASB Revenue Transition Resource Group (TRG), including the implementation issues brought to the meeting discussions. We are aware that the IASB is already considering making limited amendments to IFRS 15 as a result of deliberations to date and expect that the TRG will continue to receive more implementation issues as reporting entities progress with their implementation projects.

In addition, we note that the Financial Accounting Standards Board (FASB) is considering delaying the effective date of the new, converged revenue recognition standard, and that the IASB is considering requests to defer the effective date of IFRS 15 to maintain convergence.

In this regard, we would like to inform you that, although we have not yet received strong feedback from constituents seeking a delay, we are concerned that in light of the developments mentioned above, the remaining time period allowed for implementation may prove too short for an orderly transition. We would therefore be supportive of deferring the effective date of IFRS 15 until the work of the TRG is further advanced. From a convergence and global comparability perspective, we also agree that it is desirable for the IASB and the FASB to require the same effective date for their converged standards. We confirm that if the effective date of IFRS 15 were to be deferred, we would expect to make equivalent amendments to the effective date of HKFRS 15.



Hong Kong Institute of
Certified Public Accountants
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If you have any questions regarding the matters raised in this letter, please contact me or Winnie Chan, our Associate Director of Standard Setting at winniechan@hki CPA.org.hk.

Yours sincerely,

Christina Ng
Head of Financial Reporting