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**BY FAX (2865 6776) & BY Mail**

2 March 2009

Mr Steve Ong, FCA, FCPA  
Director, Standard Setting  
Hong Kong Institute of Certified Public Accountants  
37/F Wu Chung House  
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Wanchai  
Hong Kong

Dear Mr Ong

**Invitation to comment on IASB Discussion Paper on *Preliminary Views on Financial Statement Presentation***

Thank you for your letter dated 31 December 2008, inviting us to comment on the subject matter.

We have consulted our member companies, and their comments are as follows:

1. The proposed presentation requires more disclosure on the face of the financial statements or as notes to the accounts. It should help the users, particularly the shareholders and potential investors of a public company to better assess the financial performance and/or investment potential of a company.
2. The proposed presentation requires an entity to separate the financial information about its operating, investing and financing activities. Besides, an entity is required to provide further disaggregated information on the basis of the function and / or nature of the item presented. Together with the required presentation under Segmental Reporting in accordance with HKFRS8, all this would entail a much more complicated set of financial statements causing additional confusion to some users. Also the extra work involved will likely increase the time/cost in producing financial statements.
3. Insurance companies in Hong Kong also need to provide financial statements in conformity with the Insurance Companies Ordinance (ICO). The ICO presentation is completely different from the IFRS proposal and this change could make it more difficult for users of HK

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insurance company financial statements to relate the IFRS results and presentation to that presented under Statutory reporting.

We look forward to hearing your views on the observations set out above.

Yours sincerely



Peter C H Tam  
Chief Executive

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