



**Comment due date
extended to 10 April 2007**

13 December 2006

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

IASB DISCUSSION PAPER ON FAIR VALUE MEASUREMENTS

The International Accounting Standards Board (IASB) has issued a Discussion Paper on Fair Value Measurements for consultation.

The IASB Discussion Paper and the related press release have been posted on the website of the Hong Kong Institute of CPAs (Institute) at www.hkicpa.org.hk/professionaltechnical/accounting/exposedraft/content.php which can also be found on-line at: www.iasb.org.

This Discussion Paper sets out the IASB's preliminary views on providing consistency in the measurement of fair value, when already prescribed under existing International Financial Reporting Standards (IFRSs).

The Discussion Paper is aimed at addressing requests from a number of interested parties seeking additional guidance on the measurement of fair value. The proposals would not introduce new measurements at fair value. IFRSs already require some assets, liabilities and equity instruments to be measured at fair value in some circumstances. However, guidance on measuring fair value is dispersed throughout IFRSs and is not always consistent. The IASB believes that establishing a concise definition of fair value and a single source of guidance for all fair value measurements required by IFRSs will both simplify IFRSs and improve the quality of fair value information included in financial reports.

The Institute's Financial Reporting Standards Committee (FRSC) invites comments on the IASB Discussion Paper from any interested party and would like to hear from both those who do agree and those who do not agree with the proposals contained in it. Comments should be supported by specific reasoning and should preferably be submitted in written form.

To allow your comments on the IASB Discussion Paper to be considered and included in the Institute's responses to the IASB, comments are invited by **12 March 2007**.

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.