



**30 August 2010**

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

**INVITATION TO COMMENT ON IASB EXPOSURE DRAFT OF *REMOVAL OF FIXED DATES FOR FIRST-TIME ADOPTERS (PROPOSED AMENDMENTS TO IFRS 1)***

***Comments to be received by 11 October 2010***

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

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/financial-reporting/exposure-drafts/>.

The proposal would amend IFRS 1 *First-time Adoption of International Financial Reporting Standards* by replacing references to a fixed transition date of '1 January 2004' with 'the date of transition to IFRSs'. As a result, entities adopting IFRSs for the first time would not have to restate derecognition transactions that occurred before the date of transition to IFRSs. In addition, first-time adopters would also not have to recalculate 'day 1' differences on initial recognition of financial instruments, where the transaction occurred before the date of transition to IFRSs.

In accordance with the Institute's Convergence Due Process, comments are invited from any interested party. The FRSC would like to hear from both those who do agree and those who do not agree with the proposals contained in the IASB Exposure Draft.

Comments should be supported by specific reasoning and should be submitted in written form.

To allow your comments on the IASB Exposure Draft to be considered, they are requested to be received by the Institute on or before **11 October 2010**.

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.