



23 November 2012

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

INVITATION TO COMMENT ON IASB EXPOSURE DRAFT OF ANNUAL IMPROVEMENTS TO IFRSs 2011-2013 CYCLE

Comments to be received by 16 January 2013

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/>.

As stated in the IASB's press release, accompanying the Exposure Draft, the proposed amendments reflect issues discussed by the IASB in the project cycle that began in 2011. These amendments meet the criteria for the annual improvements process set out in the *Due Process Handbook for the IASB*. The criteria help in deciding whether a matter relating to the clarification or correction of IFRSs should be addressed using the annual improvements process.

The proposed effective date for the amendments is for annual periods beginning on or after 1 January 2014, although entities are permitted to adopt them earlier.

Lists of the topics addressed by these amendments

IFRS	Subject of amendment
IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i>	Meaning of effective IFRSs
IFRS 3 <i>Business Combinations</i>	Scope exceptions for joint ventures
IFRS 13 <i>Fair Value Measurement</i>	Scope of paragraph 52 (portfolio exception)
IAS 40 <i>Investment Property</i>	Clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property

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 January 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.