



2 December 2014

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

**INVITATION TO COMMENT ON IASB EXPOSURE DRAFT OF  
CLASSIFICATION AND MEASUREMENT OF SHARE-BASED PAYMENT  
TRANSACTIONS (PROPOSED AMENDMENTS TO IFRS 2)**

***Comments to be received by 17 February 2015***

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/file/media/section6\\_standards/standards/FinancialReporting/ed-pdf-2014/edifrs2.pdf](http://www.hkicpa.org.hk/file/media/section6_standards/standards/FinancialReporting/ed-pdf-2014/edifrs2.pdf)

As stated in the IASB's press release, accompanying the Exposure Draft, the proposed amendments to IFRS 2 *Share-based Payment* were initially discussed by the IFRS Interpretations Committee. The proposals provide guidance on:

- a. the accounting for the effects of vesting conditions on the measurement of a cash-settled share-based payment;
- b. the classification of share-based payment transactions with net settlement features; and
- c. the accounting for a modification to the terms and conditions of a share-based payment that changes the classification of the transaction from cash-settled to equity-settled.

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 **17 February 2015**.

Comments may be sent by mail, fax or e-mail to:

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37<sup>th</sup> Floor, Wu Chung House  
213 Queen's Road East  
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Comments will be acknowledged and may be made available for public review unless otherwise requested by the contributor.