



Financial Reporting Standards Committee
Meeting summary – January 2009

The Institute's Financial Reporting Standards Committee (Committee) met on 6 January 2009.

Members of the Committee present were: Paul F. Winkelmann (Chairman), Clement Chan (Deputy Chairman – represented by Stephen Chan), Ian Farrar, Paul Hebditch, Caron Hughes, Susanna Lau, William Lim and Catherine Morley

Staff present were: Steve Ong, Florence Wong, Winnie Chan and Ben Lo

The Committee made the following decisions:

1. Proposed Work Plan for 2009

The Chairman requested both the Committee and the Standard Setting Department to consider a better and more effective way of connecting the mission and the vision stated in the Institute's Fifth Long Range Plan with the work programme and to design ways of measuring our progress. In addition, to enhance public recognition of the Institute's role as the standard-setter in Hong Kong, we should establish regular liaison with the IASB and organize joint forums with various professional bodies and regulators so as to encourage wider industry groups to participate and provide comments on IASB consultation documents.

The Committee requested management to revise the work programme along these lines, but endorsed the details of the Work Plan. It was also agreed to allocate a high priority on the project of developing guidance on distributable profits for Hong Kong incorporated companies.

2. Proposed meeting schedule for 2009

The Committee agreed to meet on the following dates in 2009:

9 February (subsequently cancelled)
3 March
7 April
5 May
2 June
14 July
8 September
6 October
10 November
1 December

3. Invitations to Comment on IASB/IASCF discussion documents

The Committee approved the issuance of the following draft Invitations to Comment:

- (a) IASCF Discussion Document *Review of the Constitution Identifying Issues for Part 2 of the Review*;
- (b) IASB Exposure Draft of Proposed Amendments to IAS 24 – *Relationships with the State*; and
- (c) IASB ED 10 *Consolidated Financial Statements*.

4. **IASB Exposure Drafts of Proposed Amendments to IFRS 5 – Discontinued Operations and Proposed Amendments to IFRS 1 - Additional Exemptions for First-time Adopters**

The Committee agreed that no submission would be prepared for the above two IASB Exposure Drafts.

5. **IASB Exposure Draft of Proposed Amendments to IFRS 7 – Investments in Debt Instruments**

The Committee agreed that a submission would be prepared for the above IASB Exposure Draft.

[Post meeting note: The Institute's submission was forwarded to the IASB on 15 January 2009 and can be viewed at

http://www.hkicpa.org.hk/professionaltechnical/accounting/submissions/2009/ED7_Improving_Investments_in_Debt_Instruments_Submission.pdf

The IASB subsequently decided not to continue with the proposed amendments.]

6. **IASB Exposure Draft of Proposed Amendments to IFRIC 9 and IAS 39 – Embedded Derivatives**

The Committee agreed that a submission would be prepared for the above IASB Exposure Draft.

[Post meeting note: The Institute's submission was forwarded to the IASB on 21 January 2009 and can be viewed at

<http://www.hkicpa.org.hk/professionaltechnical/accounting/submissions/2009/IFRIC9andIAS39-EmbeddedDerivatives.pdf>

7. **Tokyo Round Table Meeting on the Global Financial Crisis**

The Chairman reported that at the Tokyo roundtable meeting, the message that due process must be followed was reiterated and, accordingly, it was unlikely any changes to IFRS would occur prior to 31 December 2008. In addition, the IASB agreed to revisit several areas of the Standards in the medium term to improve financial reporting and enhance investor confidence in the financial markets.

8. **Updated Comparison between HKFRSs and IFRSs as at 1 January 2009**

The Committee approved the comparison table to be posted on the HKICPA website.

The comparison table can be viewed at:

<http://www.hkicpa.org.hk/professionaltechnical/accounting/rm/2008/ComparisonTable122008.pdf>

This meeting summary is provided for the information and convenience of those who wish to follow the Committee's deliberations. Except where indicated otherwise, all conclusions reported are tentative and may be changed at future meetings.

The IASB publishes summaries of its meetings and projects. These can be found on the IASB's website at: <http://www.iasb.org>.

The Committee welcomes comments on its technical agenda. Please e-mail us at: commentletters@hkiipa.org.hk.

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Meeting Summaries are provided for the information and convenience of those who wish to follow the Committee's deliberations. Decisions reported are tentative and may be changed or modified by the Committee at a later date. Decisions become final only after completion of the formal due process required to finalize and release documents. No responsibility is taken for the results of actions or omissions to act on the basis of any information contained in this Meeting Summary, or for any errors or omissions in it.