

Financial Reporting Standards Committee
Meeting summary – March 2009

The Institute's Financial Reporting Standards Committee (Committee) met on 3 March 2009.

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

Staff present were: Steve Ong and Winnie Chan

The Committee made the following decisions:

1. IASB Exposure Draft (ED) of Proposed Amendments to IAS 24 – Relationship with the State

The Committee agreed that the Institute should support the proposals in the ED given that the exemption has taken into account the situation in China and the IASB has adopted a principles-based approach to the matter. It was agreed that the letter should explain why we are supporting the IASB ED. In addition, the submission should include a note that transactions between related parties below the state level may not have received enough attention and make reference to enhancing BC11 in this respect.

[Post meeting note: The Institute's submission was forwarded to the IASB on 13 March 2009 and can be viewed at <http://www.hkicpa.org.hk/professionaltechnical/accounting/submissions/2009/ED-IAS24Submission.pdf>]

2. IASC Foundation Discussion Document Review of the Constitution Identifying Issues for Part 2 of the Review

The Committee considered a draft submission and requested the Standard Setting Department to revise the submission taking into account the comments made at the meeting. The revised submission was endorsed by the Committee by circulation.

[Post meeting note: The Institute's submission was forwarded to the IASB on 26 March 2009 and can be viewed at http://www.hkicpa.org.hk/professionaltechnical/accounting/submissions/2009/IASCFDDReview_Constitution-II.pdf]

3. IASB ED of Post-Implementation Revision to IFRIC Interpretation – Proposed Amendments to IFRIC 9 and IFRIC 16

The Committee agreed that no submission would be prepared.

4. Dual compliance with IFRSs and HKFRSs

The Committee requested the Standard Setting Department to revise the draft letter to IASB by including more information about the convergence process in Hong Kong before the full convergence in 2005 and ask the IASB to warn those countries which are going to converge their national standards with IFRS to consider using IFRS 1 *First-time Adoption of IFRS* to avoid the issues encountered in Hong Kong.

[Post meeting note: The Institute has forwarded a submission about the convergence issues in Hong Kong to the IASB project team working on the ED of Additional Exemptions for First-time Adopters on 13 March 2009 and can be viewed at [http://www.hkicpa.org.hk/professionaltechnical/accounting/submissions/2009/ED-AdditionalExemptions-for-First-time-Adopters.pdf](#)]

<http://www.hkicpa.org.hk/professionaltechnical/accounting/submissions/2009/ED-First-timeAdoptersSubmission.pdf>

5. Wayne Upton's trip to Hong Kong on 23-24 April

The Committee noted that Wayne Upton, IASB Director of International Activities, would be in Hong Kong on 23-24 April and the Institute would be holding a Financial Reporting Standards Forum on 24 April 2009.

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@hkicpa.org.hk.

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