Hong Kong Institute of Certified Public Accountants 香港會計師公會

MEMBERS' HANDBOOK

Update No. 308

(Issued 28 May 2024)

This Update relates to the following areas of Volume II of Members' Handbook:

(i) The following Amendments which were previously included in Section 1 and 2 are now incorporated into the text of the relevant Standards, Basis for Conclusions and Implementation Guidance in Section 1.

- *International Tax Reform – Pillar Two Model Rules* (Amendments to HKAS 12 *Income Taxes)*
- *Supplier Finance Arrangements* (Amendments to HKAS 7 *Statement of Cash Flows* and HKFRS 7 *Financial Instruments: Disclosures*)

(ii) The following Hong Kong Financial Reporting Standards which have incorporated relevant amendments that are effective for annual reporting periods beginning on or after 1 January 2024 are relocated from Section 2 to Section 1:

- HKAS 1 *Presentation of Financial Statements*
- HKFRS 16 *Leases*
- HK Interpretation 5 (Revised) *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause*
- HKFRS Practice Statement 2 *Making Materiality Judgements*

(iii) The title of Section 1 is renamed as 'Section 1: Effective for accounting periods beginning on or after 1 January 2024'.

(iv) Housekeeping changes are made to the cover pages of certain Hong Kong Financial Reporting Standards in Section 1.

(v) Consequential amendments arising from *Lack of Exchangeability* (Amendments to HKAS 21 *The Effects of Changes in Foreign Exchange Rates*) are now incorporated into the text of HKAS 21 and HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards* in Section 2. These amendments will be effective for annual reporting periods beginning on or after 1 January 2025.

VOLUME II

Document Reference and Title	***Instructions***
Contents of Volume II	Discard existing pages i to v and replace with the revised pages i to v.

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Document Reference and Title	***Instructions***
Section 1: Effective for accounting periods beginning on or after 1 January 2024	
HONG KONG ACCOUNTING STANDARDS (HKAS)	
HKAS 1 *Presentation of Financial Statements*	Discard existing HKAS 1 (2023) and replace with revised HKAS 1 (2024) issued in May 2024.
HKAS 7 *Statement of Cash Flows*	Discard existing HKAS 7 (2023) and replace with revised HKAS 7 (2024) issued in May 2024.
HKAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*	Discard existing cover page of HKAS 8 (2023) and replace with the revised cover page.
HKAS 12 *Income Taxes*	Discard existing HKAS 12 (2023) and replace with revised HKAS 12 (2023) issued in May 2024.
HKAS 16 *Property, Plant and Equipment*	Discard existing cover page of HKAS 16 (2023) and replace with the revised cover page.
HKAS 19 *Employee Benefits*	Discard existing cover page of HKAS 19 (2023) and replace with the revised cover page.
HKAS 26 *Accounting and Reporting by Retirement Benefit Plans*	Discard existing cover page of HKAS 26 (2023) and replace with the revised cover page.
HKAS 28 *Investments in Associates and Joint Ventures*	Discard existing cover page of HKAS 28 (2023) and replace with the revised cover page.
HKAS 32 *Financial Instruments: Presentation*	Discard existing cover pages of HKAS 32 (2023), its Basis for Conclusions and Illustrative Examples, and replace with the respective revised cover pages.
HKAS 34 *Interim Financial Reporting*	Discard existing cover page of HKAS 34 (2023) and replace with the revised cover page.
HKAS 36 *Impairment of Assets*	Discard existing cover page of HKAS 36 (2023) and replace with the revised cover page.
HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*	Discard existing cover page of HKAS 37 (2023) and replace with the revised cover pages.
HKAS 38 *Intangible Assets*	Discard existing cover page of HKAS 38 (2023) and replace with the revised cover page.
HKAS 40 *Investment Property*	Discard existing cover page of HKAS 40 (2023) and replace with the revised cover page.

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Document Reference and Title	***Instructions***
HONG KONG FINANCIAL REPORTING STANDARDS (HKFRS)	
HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards*	Discard existing cover page of HKFRS 1 (2023) and replace with the revised cover page.
HKFRS 4 *Insurance Contracts*	Discard existing HKFRS 4 (2022).
HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*	Discard existing cover page of HKFRS 5 (2023) and replace with the revised cover page.
HKFRS 7 *Financial Instruments: Disclosures*	Discard existing HKFRS 7 (2023) and replace with revised HKFRS 7 (2024) issued in May 2024.
HKFRS 8 *Operating Segments*	Discard existing cover page of HKFRS 8 (2023) and replace with the revised cover page.
HKFRS 9 *Financial Instruments*	Discard existing cover page of HKFRS 9 (2023) and replace with the revised cover page.
HKFRS 14 *Regulatory Deferral Accounts*	Discard existing cover page of HKFRS 14 (2023) and replace with the revised cover page.
HKFRS 15 *Revenue from Contracts with Customers*	Discard existing cover page of HKFRS 15 (2023) and replace with the revised cover page.
HKFRS 16 *Leases*	Discard existing HKFRS 16 (2022) and replace with revised HKFRS 16 (2024) issued in May 2024.
HONG KONG (IFRIC) INTERPRETATIONS (HK(IFRIC)-Int)	
HK(IFRIC)-Int 22 *Foreign Currency Transactions and Advance Consideration*	Discard existing cover page of HK(IFRIC)-Int 22 (2023) and replace with the revised cover page.
HONG KONG INTERPRETATIONS (HK-Int)	
HK-Int 5 *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause*	Discard existing HK-Int 5 (2022).
HK-Int 5 (Revised) *Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause*	Relocate HK-Int 5 (Revised) (2024) from Section 2 to Section 1.
GLOSSARY	
Glossary of Terms Relating to Hong Kong Financial Reporting Standards	Discard existing cover page of GLOSSARY (2023) and replace with the revised cover page.

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Document Reference and Title	***Instructions***
HKFRS PRACTICE STATEMENT	
HKFRS Practice Statement 2 *Making Materiality Judgements*	Discard existing HKFRS Practice Statement 2 (2023) and replace with revised HKFRS Practice Statement 2 (2024) issued in May 2024.
AMENDMENTS TO HKFRS/HKAS	
Amendments to HKAS 12 *International Tax Reform – Pillar Two Model Rules*	Discard existing Amendments to HKAS 12 *International Tax Reform – Pillar Two Model Rules.*

Section 2: Standards issued but not yet effective

HONG KONG ACCOUNTING STANDARDS (HKAS)	
HKAS 1 *Presentation of Financial Statements*	Discard existing HKAS 1 (2024).
HKAS 21 *The Effects of Changes in Foreign Exchange Rates*	Insert HKAS 21 (2025) issued in May 2024.
HONG KONG FINANCIAL REPORTING STANDARD (HKFRS)	
HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards*	Insert HKFRS 1 (2025) issued in May 2024.
HKFRS 16 *Leases*	Discard existing HKFRS 16 (2024).
HKFRS PRACTICE STATEMENT	
HKFRS Practice Statement 2 *Making Materiality Judgements*	Discard existing HKFRS Practice Statement 2 (2024).
AMENDMENTS TO HKFRS/HKAS	
Amendments to HKAS 7 and HKFRS 7 *Supplier Finance Arrangements*	Discard existing Amendments to HKAS 7 and HKFRS 7 *Supplier Finance Arrangements.*
Amendments to HKAS 21 *Lack of Exchangeability*	Discard existing Amendments to HKAS 21 *Lack of Exchangeability.*