

**HKICPA Qualification Programme
Module A Learning Pack**

Summary of changes sixth edition

General:

1. **Chapter 12 *Construction Contracts* has been deleted. This has resulted in consequential amendment to the numbers of other chapters. All chapter cross references have been updated accordingly.**
2. **References to operating leases and finance leases from a lessee perspective have been updated.**

Chapter in sixth edition		Main changes in sixth edition
Chapter	Topic	
1	Legal environment	<ul style="list-style-type: none"> • Updated Section 3.6 for the financial statements requirements specified under the Companies Ordinance
2	Financial Reporting framework	<ul style="list-style-type: none"> • Updated Section 3.2 for the list of HKFRSs • Added Sections 6.3 and 6.4 on threats and safeguards to comply with the fundamental principles of the Code of Ethics • Added Section 13 on the development of the Conceptual framework • Added Section 15.2 on Business Review as specified under Section 388 of the Companies Ordinance • Updated Section 16.1 on the ESG reporting guide issued by HKEx and the guidelines issued by Global Reporting Initiative (GRI) • Updated Section 17 on current developments
3	Small company reporting	<ul style="list-style-type: none"> • Updated Section 3.1 by including the transitional requirements (SME-FRF) for the application of size limits on transition to the new Companies Ordinance • Updated Section 5 for amendments to HKFRS for PEs
4	Non-current assets held for sale and discontinued operations	<ul style="list-style-type: none"> • Updated the exam practice question
5	Property, plant and equipment	<ul style="list-style-type: none"> • Updated throughout the chapter to reflect changes on issue of HKFRS 16
6	Investment property	<ul style="list-style-type: none"> • Updated throughout the chapter to reflect changes to HKAS 40 on issue of HKFRS 16 • Updated Section 1.5 for transfers of Investment Property amendment to HKAS 40 • Updated topic recap diagram

7	Government grants	<ul style="list-style-type: none"> No significant changes
8	Intangible assets and impairment of assets	<ul style="list-style-type: none"> No significant changes
9	Leases	<ul style="list-style-type: none"> Rewrote this chapter in line with HKFRS 16
10	Inventories	<ul style="list-style-type: none"> No significant changes
11	Provisions	<ul style="list-style-type: none"> Amended section 2.6.2 onerous contracts for changes to lease accounting
12	Share-based payments	<ul style="list-style-type: none"> Updated section 2.1.5 for detail of choice about non-vesting conditions Added section 2.1.8 for 2016 amendments to HKFRS 2 about net settlement features Amended section 2.2.1 for 2016 amendments to HKFRS 2 about vesting conditions and cash-settled payments Added section 4.2 for 2016 amendments to HKFRS 2 about the recognition criteria for modifications whereby cash-settled become equity-settled transactions
13	Revenue	<ul style="list-style-type: none"> Rewrote this chapter in line with HKFRS 15 Amended Section 2.3 to further elaborate and explain the concepts and added a number of examples to illustrate the application
14	Income taxes	<ul style="list-style-type: none"> Updated Section 4.1.2 for amendments to HKAS 12 on unrealised losses with a new illustrative example Updated Section 4.2 for amendments to HKAS 12 on availability of taxable profits Added section 6.1 on current developments
15	Employee benefits	<ul style="list-style-type: none"> Added section 5.12 on current developments
16	Borrowing costs	<ul style="list-style-type: none"> Updated throughout the chapter to reflect changes on issue of HKFRS 16 Added section 1.3 on current developments
17	Financial instruments	<ul style="list-style-type: none"> Removed the detail of HKAS 39 accounting requirements
18	Fair value measurement	<ul style="list-style-type: none"> No significant changes

19	Statements of cash flows	<ul style="list-style-type: none"> amended throughout chapter for references to finance leases Rewrote section 2.3.3 to reflect HKFRS 16 Amended section 2.4 to include example of new disclosure Amended topic recap diagram for new disclosure requirement
20	Related party disclosures	<ul style="list-style-type: none"> No significant changes
21	Accounting policies, changes in accounting estimates and errors; events after the reporting period	<ul style="list-style-type: none"> No significant changes
22	Earnings per share	<ul style="list-style-type: none"> No significant changes
23	Operating segments	<ul style="list-style-type: none"> Added section 1.7.1 on current developments
24	Interim financial reporting	<ul style="list-style-type: none"> No significant changes
25	Presentation of financial statements	<ul style="list-style-type: none"> Moved current developments to section 1.6 Added section 3 on HKFRS 1 Amended the topic recap diagram for HKFRS 1
26	Principles of Consolidation	<ul style="list-style-type: none"> Removed reference to HKAS 27 from section 1.4 and 2.1 Amended section 3 on annual improvements 2014–2016 to HKFRS 12 Updated section 6 on current developments

27	Consolidated accounts: accounting for subsidiaries	<ul style="list-style-type: none"> No significant changes
28	Consolidated accounts: accounting for associates and joint arrangements	<ul style="list-style-type: none"> Added section 1.9 on current developments
29	Changes in group structures	<ul style="list-style-type: none"> Added section 2.5 on current developments
30	Consolidation of foreign operations	<ul style="list-style-type: none"> Added section 2.5 on current developments

