



19 December 2019

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

**INVITATION TO COMMENT ON IASB EXPOSURE DRAFT
ED/2019/7 *General Presentation and Disclosures***

Comments to be received by 22 May 2020

The Financial Reporting Standards Committee (FRSC) of the Hong Kong Institute of Certified Public Accountants (Institute) is seeking comments on the IASB Exposure Draft ED/2019/7. The Exposure Draft is available on the Institute's website:

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/financial-reporting/exposure-drafts/>

The International Accounting Standards Board (IASB) proposes improvements to the way information is communicated in the financial statements, with a focus on financial performance. Responding to investor demand, the proposals would require more comparable information in the statement of profit or loss and a more disciplined and transparent approach to the reporting of management-defined performance measures ('non-GAAP' measures). The proposals would result in a new IFRS Standard that sets out general presentation and disclosure requirements relevant for all companies, replacing IAS 1 *Presentation of Financial Statements*.

The IASB proposes to require companies to:

1. present new defined subtotals in the statement of profit or loss, including operating profit;
2. disaggregate information in a more useful way; and
3. disclose information about performance measures defined by management.

The FRSC invites your comments on the proposal as set out in the ED by **22 May 2020** to allow your comments to be considered in developing its response to the IASB. Comments should be supported by specific reasoning and should be submitted in written form.

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

Standard Setting Department
Hong Kong Institute of Certified Public Accountants
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Comments will be acknowledged and may be made available for public review unless otherwise requested by the respondent.