



31 January 2020

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

**INVITATION TO COMMENT ON IASB REQUEST FOR INFORMATION:  
COMPREHENSIVE REVIEW OF THE IFRS FOR SMEs STANDARD**  
*Comments to be received by 12 June 2020*

The Financial Reporting Standards Committee (FRSC) of the Hong Kong Institute of Certified Public Accountants (Institute) is seeking comments on the IASB Request for Information (RFI). The RFI and supporting documents are 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) is asking for views on its approach to updating the *IFRS for SMEs* Standard, its simplified accounting standard for small and medium-sized entities. The RFI is the first step in the IASB's second comprehensive review of the *IFRS for SMEs* Standard.

The objective of the RFI is to seek views on whether and how aligning the *IFRS for SMEs* Standard with full IFRS Standards would benefit users of financial statements prepared applying the *IFRS for SMEs* Standard without causing undue cost and effort for SMEs. The RFI asks for views on different approaches to updating the *IFRS for SMEs* Standard, as well as views on how the Standard could be aligned with newer IFRS Standards, such as IFRS 9 *Financial Instruments*, IFRS 15 *Revenue from Contracts with Customers* and IFRS 16 *Leases*.

The Institute developed the *HKFRS for Private Entities* based on the *IFRS for SMEs* Standard. Any revisions to the *IFRS for SMEs* Standard, upon finalisation by the IASB, will be incorporated in the *HKFRS for Private Entities* in accordance with the Institute's convergence policy.

The FRSC invites your comments on the questions in the RFI by **12 June 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. The IASB has produced an [Optional Response Document](#) accompanying the RFI, which you may find helpful when submitting comments to the FRSC. 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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213 Queen's Road East  
Wanchai, Hong Kong

Fax number (+852) 2865 6776  
E-mail: [commentletters@hkicpa.org.hk](mailto:commentletters@hkicpa.org.hk)

Comments will be acknowledged and may be made available for public review unless otherwise requested by the respondent.