



24 March 2022

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

**INVITATION TO COMMENT ON IFRS INTERPRETATIONS COMMITTEE
TENTATIVE AGENDA DECISIONS**

Comments to be received by 25 April 2022

The IFRS Interpretations Committee (IC) works together with the International Accounting Standards Board to support the consistent application of IFRS Accounting Standards. They do so by, among other things, issuing narrow-scope amendments and IFRIC Interpretations, and publishing agenda decisions to address application questions.

If the IC decides that a standard-setting project should not be added to the work plan, it explains why in a tentative agenda decision, and requests comments within a period normally of 60 days. An agenda decision explains why a standard-setting project has not been added to the work plan and, in many cases, includes explanatory material. Agenda decisions cannot add or change requirements in IFRS Accounting Standards.

At its March meeting, the IC discussed the following matters and tentatively decided not to add a standard-setting project to the work plan.

- (1) [Special Purpose Acquisition Companies \(SPAC\): Accounting for Warrants at Acquisition](#) - how an entity accounts for warrants on acquiring a SPAC;
- (2) [SPAC: Classification of Public Shares as Financial Liabilities or Equity \(IAS 32\)](#) - how a SPAC classifies its different classes of shares as financial liabilities or equity applying IAS 32;
- (3) [Transfer of Insurance Coverage under a Group of Annuity Contracts \(IFRS 17\)](#) - how an issuer of a group of annuity contracts determines the amount of the contractual service margin to recognise in profit or loss in a period because of the transfer of insurance coverage for survival in that period; and
- (4) [Lessor Forgiveness of Lease Payments \(IFRS 9 and IFRS 16\)](#) - how the lessor applies the expected credit loss model in IFRS 9 to an operating lease receivable and account for the rent concession. The rent concession is one for which the only change to the lease contract is the lessor's forgiveness of lease payments due from the lessee under that contract.

The Financial Reporting Standards Committee of the Hong Kong Institute of Certified Public Accountants is seeking comments on the above tentative agenda decisions by **25 April 2022** to allow your comments to be considered in developing its response. Comments should be supported by specific reasoning and should be submitted in written form.



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

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

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