



Update on Standard Convergence (2 September 2022)

The MoF has been working on the revision of China Accounting Standards for Business Enterprises (CASBE) to maintain its convergence policy with IFRS Accounting Standards/HKFRS.

In September 2021, the MoF issued the following two exposure drafts which are aligned in principle with the corresponding IFRS Accounting Standards/HKFRS:

- 1) CASBE Interpretation No. 15 on:
 - a. Property, plant and equipment – Proceeds before intended use;
 - b. Presentation of transactions relating to the management of centralized funds;
and
 - c. Onerous contracts – cost of fulfilling a contract.
- 2) Guidance for the accounting for asset management products.

The MoF finalized the CASBE Interpretation No.15 and the guidance for the accounting for asset management products in December 2021 and May 2022, respectively.

The Institute will continue to work with the MoF on the ongoing convergence between CASBE and HKFRS.