



Minutes of the 219th meeting of the Financial Reporting Standards Committee held on Tuesday, 10 February 2015 at 8:30 a.m. in the Board Room of the Hong Kong Institute of Certified Public Accountants, 37/F., Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong.

Members present: Ms. Catherine Morley (Chairman), KPMG  
Ms. Shelley So (Deputy Chairman), PricewaterhouseCoopers  
Mr. Gary Biddle, University of Hong Kong  
Mr. James Fawls, HSBC  
Ms. Candy Fong, Deloitte Touche Tohmatsu  
Ms. Kelly Kong, Jardine Matheson & Co., Limited  
Mr. Ernest Lee, Ernst & Young  
Ms. Fanny Leung, Government of HKSAR, Treasury  
Mr. Eugene Liu, RSM Nelson Wheeler  
Mr. Steve Ong, Stock Exchange of Hong Kong Limited  
Mr. Paul Phenix, Baker Tilly Hong Kong Limited  
Mr. Gary Stevenson, BDO Limited  
Ms. Florence Wong, Financial Reporting Council  
Mr. Davis Yu, HLB

Staff in attendance: Mr. Chris Joy, Executive Director, Standards and Regulation  
Ms. Christina Ng, Head of Financial Reporting, Standard Setting  
Ms. Winnie Chan, Associate Director, Standard Setting  
Mr. Ben Lo, Associate Director, Standard Setting  
Mr. Ambrose Wong, Associate Director, Standard Setting  
Ms. Winnie Chan, Associate Director, Technical Learning & Support  
Ms. Katherine Leung, Manager, Standard Setting

Apologies were received from two members; Mr. Vincent Ching and Ms. Susanna Lau.

- |  | <u>Action</u> |
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| <p>1. <b><u>Welcome new members and Committee composition for 2015</u></b></p> <p>The Chairman welcomed Ms. Candy Fong and Ms. Fanny Leung as new members of the Committee, and Ms Christina Ng as the HKICPA's new Head of Financial Reporting.</p>   |               |
| <p>2. <b><u>Guidance note on general confidentiality rules</u></b></p> <p>The Chairman drew members' attention to the guidance note on the general confidentiality rules in relation to minutes and agenda papers of the Council and Committees appointed by the Council. It was noted that in practice the minutes of the FRSC are placed on public record.</p>   |               |
| <p>3. <b><u>Terms of Reference</u></b></p> <p>The Committee noted its Terms of Reference.</p> <p>Consistent with item 6 of the Terms of Reference, members requested the SSD to make financial reporting articles that have been developed by the FRSC and published in the Institute's <i>A Plus</i> available directly on the SSD's technical resources webpage as continuing reference materials.</p> | SSD           |
| <p>4. <b><u>Meeting Schedule for 2015</u></b></p> <p>The Committee noted the meeting dates for 2015. It was noted that members are expected to attend meetings where possible. If not</p>  |               |

possible, then they may send an alternate, provided that the alternate is properly briefed by the member on the general confidentiality rules, the Terms of Reference of the Committee and the member's views on the agenda items of that meeting.

**5. Minutes of the 218th meeting**

The Committee approved and the Chairman signed the minutes of the 218th meeting.

**6. Proposed work plan for 2015**

The Committee considered the proposed work plan for 2015 and in general approved the plan with some minor amendments. In particular, members noted that the support of the Committee for the SSD's liaison activities with the MOF, where it impacts Hong Kong standard-setting, should continue to be included under Objective 3 in the work plan, and not Objective 1, as it relates to sharing knowledge and experience with other regional professional bodies and jurisdictions in the interests of maintaining convergence.

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**7. IASB Exposure Drafts**

The Committee noted the following IASB exposure drafts (ED) and that the Institute has issued Invitation to Comments (on the following IASB EDs):

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(a) IASB ED/2014/5 *Classification and Measurement of Share-based Payment Transactions* (proposed amendments to IFRS 2)

(b) IASB ED/2014/6 *Disclosure Initiative* (proposed amendments to IAS 7)

The Committee decided to establish working groups to deal with these EDs.

The Chairman requested the SSD to prepare papers that summarise key issues and views expressed by Working Group members and other stakeholders as part of the Institute's due process for the Committee's consideration at the next meeting.

**8. Update on joint HKICPA and IFRS Foundation IFRS Conference**

The Committee noted that the Institute and the IFRS Foundation will jointly hold an IFRS Conference on 12-13 October 2015 and a post-conference IFRS for SMEs implementation workshop on 13 October 2015.

**9. Report from the Companies Ordinance Working Group**

The Chairman (as Chair of the Working Group) reported that members of the Working Group met with staff of the Companies Registry to discuss identified consolidation issues arising from the application of the new Hong Kong Companies Ordinance Cap. 622, including a set of draft questions and answers that is aimed at dealing with those application issues.

The Chairman also reported that the Institute has issued the following EDs for public comment.

- (a) ED of Accounting Bulletin 6 *Guidance on the Requirements of Section 436 of the Hong Kong Companies Ordinance Cap. 622 "Requirement in Connection with Publication of 'Specified Financial Statements' and 'Non-statutory Accounts'"*
- (b) ED of amendments to *Preface to Hong Kong Financial Reporting Standards*

**10. Any other business**

- (a) The Chairman reported that the Revenue Working Group had requested the SSD to write to the IASB to convey the Institute's support should the IASB decide to defer the effective date of IFRS 15 *Revenue from Contracts with Customers*.
- (b) This being his last meeting, the Committee noted a vote of thanks to Mr Ambrose Wong for his support of the Committee and in particular his work on the Companies Ordinance project.

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The meeting closed at 10:30 a.m.

CATHERINE MORLEY  
CHAIR

12 February 2015