



Technical Update Evening 2006

August 2006 to December 2006

Updates on the Hong Kong Institute of CPAs
standard-setting activities :
Financial Reporting, Auditing and Ethics

What is TUE? What does it aim to provide?

- Each session addresses one or two main themes of topical interest, with an emphasis on recently released standards and guidance. The sessions will be conducted by the Hong Kong Institute of CPAs Technical Directors
- Sessions will usually include both presentations and question-and-answer segments and members are encouraged to participate actively in these sessions
- Sessions will be limited to 100 participants to enable members to participate and raise technical issues in a relatively informal after-office-hours setting
- The sessions are designed to supplement the other channels the Institute uses to provide technical information to members, including TechWatch, the Technical Query Service, the Institute's magazine *A Plus* and other forms of CPD

Who should attend?

- ✓ **Members in practice**
- ✓ **Financial statements preparers**
- ✓ **Financial controllers**
- ✓ **Members and Registered Students who wish to keep abreast of Hong Kong Institute of CPAs' latest technical developments**

Your Hosts of TUE 2006



Steve Ong
Assistant Director
Standard Setting

Elaine Chan
Assistant Director
Standard Setting

Elsa Ho
Assistant Director
Standard Setting

Patricia McBride
Director
Standard Setting

During TUE 2006, each of your hosts will present sessions in their areas of expertise. As you can see from the following pages, the programme covering August to December 2006 addresses issues relating to financial reporting, auditing and ethics.

Tony Harrod, the Hong Kong Institute of CPAs' General Counsel, will join your hosts to discuss the Financial Reporting Council Ordinance. We urge you to join us in these sessions, as we learn from your questions and comments and we hope that you learn from our expertise.

TUE Registration

Applications for registration will be accepted on a **first-come-first-served** basis as seats are **limited** to 100. In case of over-subscription, consideration may be given to arranging a **re-run session**. Applications for registration will be accepted only from **Hong Kong Institute of CPAs members and students**. The success of TUE 2006 depends on active participation. If you have a **basic understanding** of the subject before attending, you will find the **interaction** with your host(s) more productive.

For members and students who wish to attend a TUE, please complete the enclosed **TUE Registration Form** and return it to the **Member Services Department** of the Institute on or before the application deadline, together with either your credit card details or a cheque. Applications for registration by **fax** will be accepted only for **Institute Visa** card payments.

Confirmation will be sent by **e-mail** unless your application for registration is unsuccessful. Unless the session is cancelled due to unforeseen circumstances, **no refund** will be given after your registration has been confirmed.

TUE Programme for 2006

Time : 7:00p.m. to 8:00p.m.

Venue : Hong Kong Institute of CPAs Training Centre,
27/F, Wu Chung House, 213 Queen's Road East, Wanchai, Hong Kong

Fee : HK\$120 per session

HKICPA CPD Hour : 1 hour

TUE Programme enquiries:

May Hung / Yvonne Chew

Member Services Department

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e-mail: may@hkcipa.org.hk

yvonnechew@hkcipa.org.hk

For more information on the current and future TUE programme, please visit
www.hkcipa.org.hk/professionaltechnical/TUE/index.php

TUE No.	Date	Topic	Speaker
618 (Re-run) Session FULL Monday 14 August 2006		Commonly asked financial reporting questions From time to time, the HKICPA receives technical queries on the application of Hong Kong Financial Reporting Standards and the Financial Reporting Framework and Financial Reporting Standard for Small and Medium sized Entities. The HKICPA staff will respond to such technical queries in accordance with the HKICPA staff policy on handling technical queries, a copy of which can be found in < http://www.hkcipa.org.hk/professionaltechnical/policy/techqs.pdf >. This session will go through a number of commonly asked financial reporting questions, especially those received in the first half of 2006, and the staff responses to those questions. Application deadline: 15 September 2006	Elsa Ho
624 (Re-run)	Wednesday 20 September 2006		
619	Thursday 21 September 2006	Application of the conceptual framework to independence The Institute has applied for some time a conceptual framework to independence that requires the consideration of threats and safeguards under the Code of Ethics for Professional Accountants and the superseded Professional Ethics Statement 1.203A. This session will go through some of the common circumstances that may create threats to independence with respect to assurance engagements undertaken by professional accountants in public practice and the application of the conceptual framework to those circumstances. It will also go through some of the technical queries that HKICPA staff has received on the application of the conceptual framework. Application deadline: 14 September 2006	Elaine Chan

TUE No.	Date	Topic	Speaker
620	Tuesday 10 October 2006	Fair Value Measurement Guidance	Patricia McBride
Session FULL			
625 (Re-run)	Tuesday 14 November 2006	<p>A number of HKFRSs contain requirements to measure specified assets and liabilities at fair value. This has created concerns as to how fair values should be computed if they are not readily available. The IASB is expected to release an Exposure Draft providing guidance on applying fair value measurements very shortly and the HKICPA will release a similar Exposure Draft immediately thereafter.</p> <p>The purpose of the Exposure Draft is to assist entities in applying the fair value measurements required or permitted by various financial reporting standards. At present, the guidance that is available is spread across a number of standards, leading to inconsistencies in measuring fair value. This Exposure Draft is designed to provide codified and consistent guidance for measuring fair value. The Exposure Draft will not change the application of fair value measurement requirements. That is, it will not address when fair value measurement is required or permitted and it will not consider how changes in fair value should be recognised.</p> <p>This session will explain the proposals in the Exposure Draft. This will include:</p> <ul style="list-style-type: none"> • a discussion of the extent to which the proposals resolve the practical issues in applying fair value measurement; and • an examination of the changes proposed by the Exposure Draft to existing financial reporting standards. <p>Application deadline: 9 November 2006</p>	
621	Tuesday 14 November 2006	The New Audit Report Standards – HKSA 700 and HKSA 701	Steve Ong
Session FULL			
626 (Re-run)	Tuesday 21 November 2006	<p>This session will introduce the key features of the new Audit Report Standards, HKSA 700 “The Independent Auditor’s Report on a Complete Set of General Purpose Financial Statements” and HKSA 701 “Modifications to the Independent Auditor’s Report”. Both HKSA 700 and HKSA 701 will replace SAS 600 “Auditors’ reports on financial statements”.</p> <p>This session will cover:</p> <ul style="list-style-type: none"> • The major differences between unqualified Audit Reports issued under HKSA 700 as compared to SAS 600 • The major differences between qualified Audit Reports issued under HKSA 701 as compared to SAS 600 • Circumstances where an auditor’s report may be modified by adding an emphasis of matter paragraph <p>Application deadline: 16 November 2006</p>	

TUE No.	Date	Topic	Speaker
622	Tuesday 28 November 2006	Financial Reporting Council Ordinance The passage of the Financial Reporting Council Ordinance was the last stage of a regulatory reform package first promoted by the Institute over three years ago. In this post-Enron world, the Financial Reporting Council will investigate standards of financial reporting and audits of listed companies, while the Institute will retain responsibility for audits of non-listed companies and acting as prosecutor in disciplinary proceedings. The session will outline developments during the Bill's passage through LegCo. The principal provisions of the Ordinance will be outlined and the structure of the FRC will be explained as will the FRC's powers and members' obligations in these respects. Reference will also be made to the Institute's funding obligations, the arrangements for which necessitated amendments to the Professional Accountants Ordinance. Application deadline: 23 November 2006	Tony Harrod
623	Tuesday 5 December 2006	Financial Reporting Review 2006 This session will provide an overview of the changes in financial reporting 2006. In particular, this session will highlight the new standards, amendments to, and interpretations of, HKFRSs that are effective for the periods beginning on or after 1 January 2006 and therefore may need to be considered for the first time in the preparation of the 2006 annual financial statements. This session will also highlight the exposure drafts issued in 2006 but not yet become effective so as to give some indication as to the likely developments in future financial reporting. Application deadline: 11 January 2007	Elsa Ho
627 (Re-run)	Tuesday 16 January 2007		

Session FULL

TUE Registration Form

August 2006 - December 2006

Please use **BLOCK LETTERS**

Name _____ HKICPA Membership / Student No. _____

Company Name _____

Telephone No. _____ Fax No. _____ E-mail _____

Please mark a "✓" against the session(s) for which you wish to apply

- 619 (21 September 06) 622 (28 November 06) 624 (20 September 06)
- 625 (14 November 06) 626 (21 November 06) 627 (16 January 07)

Admission Fee: HKD120 per session x _____ session(s) = HKD _____

Signature _____ Date _____

Payment by:

- Cheque No. _____ (Bank _____)

For cheque payment, please staple the cheque payable to "Hong Kong Institute of Certified Public Accountants" to the TUE registration form before returning it to the HKICPA. Please issue SEPARATE CHEQUE for each session.

- HKICPA Visa card (only the HKICPA Visa Card (Wing Lung Bank Limited) is accepted)

For payment by the HKICPA Visa card, please fill in the following:

Card Number _____

Cardholder's Name _____ Card Expiry Date (month / year) _____

Cardholder's Signature _____ Date _____

To: Member Services Department,
Hong Kong Institute of CPAs,
27th Floor, Wu Chung House,
213 Queen's Road East,
Wanchai, Hong Kong.

Fax: 2803 4620

FOR OFFICIAL USE

Auth. Code No. _____

Handled by _____

Date _____