

Property related standards

Case study 1

Main topics discussed

- Recognition criteria for properties
 - Property, plant and equipment
 - Investment Property
- Determination of capitalization of individual component
- Determination of useful life and selection of appropriate depreciation method
- Preparation of related journal entries
- Disclosure notes preparation

Relevant accounting standards

- HKAS 16 Property, plant and equipment
- HKAS 40 Investment Property

Case study 2

Main topics discussed

- Recognition criteria for reclassifying investment properties from/ to
 - Inventories
 - Property, plant and equipment
- Classification of promises rented to employees in the financial statement
- Determination of the date of satisfying the change of use for an existing property
- Measurement of the properties
- Disclosure notes preparation

Relevant accounting standards

- HKAS 2 Inventories
- HKAS 16 Property, Plant and Equipment
- HKAS 36 Impairment of Assets
- HKAS 40 Investment Property

Resolving accounting issues

Case study 1

Main topics discussed

- Discussion on the recognition criteria for sales of goods under consignment stock arrangement.
- Matter to consider in case the inventory is identified as obsolete.
- Measurement of inventories involved re-work/ conversion cost before the inventories could be resale.

Relevant accounting standards

- HKAS 2 Inventories.
- HKAS 18 Revenue Recognition.

Case study 2

Main topics discussed

- Determination of the recognition criteria for each scenarios happened during/ or after the reporting period.
 - government grant
 - transfer of property, plant and equipment to assets held for sales
 - error in relating to prior reporting period identified
- Disclosure notes preparation.

Relevant accounting standards

- HKFRS 5 Non-current Assets Held-For Sale and Discontinued Operations.
- HKAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- HKAS 10 Events After the Reporting Period.
- HKAS 20 Accounting for Government Grants and Disclosure of Government Assistance.

Case study 3

Main topics discussed

- To identify the related parties.
- Disclosure requirements in respect of related parties transactions.
- Disclosure notes preparation.

Relevant accounting standards

- HKAS 10 Events After the Reporting Period.
- HKAS 24 Related Party Disclosures.