



27 June 2011

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

INVITATION TO COMMENT ON IASB EXPOSURE DRAFT OF *PROPOSED IMPROVEMENTS TO IFRSs* (FOURTH SET)

Comments to be received by 30 September 2011

The Hong Kong Institute of Certified Public Accountants' (Institute) Financial Reporting Standards Committee (FRSC) is seeking comments on the IASB Exposure Draft which has been posted on the Institute's website at:

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/financial-reporting/exposure-drafts/>.

The IASB Exposure Draft reflects issues discussed by the IASB in the project cycle that began in 2009. These amendments meet the enhanced criteria for the annual improvements process that were approved by the IFRS Foundation Trustees in February 2011 as part of a revision to the Due Process Handbook for the IASB. The revised criteria were developed to help determine whether a matter relating to the clarification or correction of IFRSs should be addressed using the annual improvements process.

Lists of the topics addressed by these amendments

IFRS	Subject of amendment
IFRS 1 <i>First-time Adoption of International Financial Reporting Standards</i>	Repeated application of IFRS 1
	Borrowing costs relating to qualifying assets for which the commencement date for capitalization is before the date of transition to IFRSs
IAS 1 <i>Presentation of Financial Statements</i>	Clarification of requirements for comparative information
	Consistency with the updated <i>Conceptual Framework</i>
IAS 16 <i>Property, Plant and Equipment</i>	Clarification of servicing equipment
IAS 32 <i>Financial Instruments: Presentation</i>	Income tax consequences of distribution to holders of an equity instrument, and of transaction costs of an equity transaction
IAS 34 <i>Interim Financial Reporting</i>	Interim financial reporting and segment information for total assets

The proposed effective date for the amendments is for annual periods beginning on or after 1 January 2013, although entities are permitted to adopt them earlier.

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

To allow your comments on the IASB Exposure Draft to be considered, they are requested to be received by the Institute on or before **30 September 2011**.

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

Steve Ong
Director, Standard Setting
Hong Kong Institute of Certified Public Accountants
37th Floor, Wu Chung House
213 Queen's Road East
Wanchai, Hong Kong

Fax number (+852) 2865 6776
E-mail: commentletters@hkipa.org.hk

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