



9 April 2018

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

**INVITATION TO COMMENT ON IASB Exposure Draft  
ED/2018/1 Accounting Policies Changes**

***Comments to be received by 29 June 2018***

The Financial Reporting Standards Committee (FRSC) of the Hong Kong Institute of Certified Public Accountants (Institute) is seeking comments on IASB ED/2018/1. You may access the ED from the Institute's website:

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

Applying IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*, an entity changes an accounting policy only if the change is required by an IFRS or results in improving the usefulness of information provided to users of its financial statements. However, a common reason why an entity voluntarily changes an accounting policy is to reflect non-authoritative explanatory material included in agenda decisions published by the IFRS Interpretations Committee.

To facilitate voluntary changes in accounting policy that result from an agenda decision, the IASB proposes amending IAS 8 in ED/2018/1 to lower the impracticability threshold for retrospective application of such changes. The proposed threshold would include consideration of the expected benefits to users of financial statements of applying the new accounting policy retrospectively and the cost to the entity of determining the effects of retrospective application.

The FRSC invites your comments on the proposal by **29 June 2018** to allow your comments to be considered in developing its response to the IASB. Comments should be supported by specific reasoning and should be submitted in written form.

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

Standard Setting Department  
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@hkicpa.org.hk](mailto:commentletters@hkicpa.org.hk)

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