

Financial Accounting Standards Committee

Meeting summary – December 2002

The Society's Financial Accounting Standards Committee (Committee) met on 11 December 2002 and discussed the following items:

- ✓ Joint Government/HKSA Working Group to Review the Accounting and Auditing Provisions of the Companies Ordinance – recommendations regarding specific disclosure items in the Tenth Schedule to the Companies Ordinance
- ✓ IASB Exposure Draft ED 2, Share-based Payment
- ✓ IASB Exposure Draft ED 3, Business Combinations

Recommendations regarding specific disclosure items in the Tenth Schedule to the Companies Ordinance

The Committee noted the referral from the Joint Government/HKSA Working Group to Review the Accounting and Auditing Provisions of the Companies Ordinance (JWG) for the Committee to consider adding into the accounting standards certain existing specific disclosure items in the Tenth Schedule so that these items can be removed from the Tenth Schedule upon its revision. The Committee undertook to carry out some research on one specific disclosure requirement before replying to the JWG.

IASB Exposure Draft, ED 2, Share-based Payment

The Committee undertook an initial review of a draft comment letter on ED 2 and agreed to further consider the letter at its next meeting.

IASB Exposure Draft, ED 3, Business Combinations

The Committee noted that the International Accounting Standards Board (IASB) had recently issued an exposure draft, ED 3, Business Combinations and an exposure draft of Proposed Amendments to IAS 36, Impairment of Assets, and IAS 38, Intangible Assets for comment by 4 April 2003. The exposure drafts have been published by the IASB as phase I of the Business Combinations project. The IASB project is aimed at improving the quality of, and seeking international convergence on, accounting for business combinations. The Committee agreed to issue an Invitation to Comment on the IASB's exposure draft with comments requested by 15 March 2003.

The Invitation to Comment and the accompanying IASB's exposure draft will be made available on the HKSA website at <<http://www.hksa.org.hk/professionaltechnical/accounting/exposedraft>>.

Date of Next Meeting

The Committee's next meeting is scheduled to be held on 15 January 2003.

This meeting summary is provided for the information and convenience of those who wish to follow the Committee's deliberations. Except as indicated otherwise, all conclusions reported are tentative and may be changed at future meetings.

The IASB publishes summaries of its meetings and projects. These can be found on the IASB's website at <http://www.iasb.org.uk>.

The Committee welcomes comments on its technical agenda. Please e-mail us at commentletters@hksa.org.hk.