

**From:** [carmenwong@hktrustees.com](mailto:carmenwong@hktrustees.com)  
**To:** [P.T. Comment Letter](#)  
**Cc:** [jacqueline shek](#); [ComMem-LAU Ka Shi](#); [Loretta Ma](#); [Wong Gwen](#); [Virginia Lam](#); [candywong@hktrustees.com](mailto:candywong@hktrustees.com)  
**Subject:** CPA Invitation to Comment on IASB exposure draft (28 July 2021)  
**Date:** Thursday, July 29, 2021 9:53:51 AM  
**Attachments:** [invitation to comment \(received 28 July 2021\).PDF](#)

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Dear Sir/Madam,

Greeting from HKTA.

Thank you for sending the invitation to comment on captioned subjects. Given that the subjects have not direct relevance to the trust sector, we have no comment to make. Thank you for your attention.

Carmen Wong  
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Hong Kong Trustees' Association Ltd

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27 July 2021

Our Ref.: C/FRSC

Vice Chairman and Pensions & Funds Subcommittee Chair  
Hong Kong Trustees' Association Ltd  
Room 745, 7/F Grand Millennium Plaza  
181 Queen's Road Central  
Hong Kong

Dear Sir/Madam,

**Invitation to Comment on IASB Exposure Draft  
ED/2021/7 *Subsidiaries without Public Accountability: Disclosures***

I am writing to seek your organisation's comments on the captioned IASB Exposure Draft.

A copy of the Invitation to Comment is enclosed. The full IASB Exposure Draft can be accessed on the HKICPA website at:  
<https://www.hkicpa.org.hk/en/Standards-and-regulation/Standards/Open-for-comment-documents/fred>

I would be grateful for your comments on the IASB Request for Information by **17 December 2021**.

Thank you.

Yours faithfully,

Cecilia Kwei  
Director, Standard Setting

Encl.



27 July 2021

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

**INVITATION TO COMMENT ON IASB EXPOSURE DRAFT  
ED/2021/7 *Subsidiaries without Public Accountability: Disclosures***

***Comments to be received by 17 December 2021***

The Financial Reporting Standards Committee (FRSC) of the Hong Kong Institute of Certified Public Accountants (Institute) is seeking comments on the IASB Exposure Draft ED/2021/7 *Subsidiaries without Public Accountability: Disclosures*. The Exposure Draft (ED) is available on the Institute's website:

<https://www.hkicpa.org.hk/en/Standards-and-regulation/Standards/Open-for-comment-documents/fred>

The International Accounting Standards Board (IASB) has proposed a new IFRS Standard that would permit eligible subsidiaries to apply IFRS Standards with a reduced set of disclosure requirements. The proposals respond to feedback from stakeholders and are designed to ease financial reporting for eligible subsidiaries while meeting the needs of the users of their financial statements.

The proposed Standard would be available to subsidiaries without public accountability—companies that are not financial institutions or listed on a stock exchange—whose parent company prepares consolidated financial statements applying IFRS Standards. These subsidiaries report to their parent company for consolidation purposes applying IFRS Standards. Electing to apply the proposed Standard would enable them to also use IFRS Standards when preparing their own financial statements but with reduced disclosures.

The proposals would save subsidiaries time and money by:

- eliminating the need to maintain an additional set of accounting records for reporting purposes— if the subsidiary currently does not apply IFRS Standards in its own financial statements; and
- reducing the disclosures required to comply with IFRS Standards.

The FRSC invites your comments on the ED by **17 December 2021** 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  
37<sup>th</sup> 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.