

Table of Contents

| | Page |
|--|------|
| Financial Reporting Environment | |
| 1 Introduction | 3 |
| 2 Companies Ordinance | 7 |
| 3 Inland Revenue Ordinance | 25 |
| 4 Securities and Futures Commission | 35 |
| 5 Hong Kong Stock Exchange | 43 |
| 6 Hong Kong Institute of Certified Public Accountants | 53 |
| HK Interpretations | |
| 7 HK-Int 4 "Leases – Determination of the Length of Lease Term in respect of Hong Kong Land Leases" | 69 |
| 8 HK-Int 5 "Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause" | 71 |
| HKFRS | |
| 9 HKFRS 1 "First-Time Adoption of Hong Kong Financial Reporting Standards" | 75 |
| 10 HKFRS 2 "Share-based Payment" | 89 |
| 11 HKFRS 3 "Business Combinations" | 119 |
| 12 HKFRS 4 "Insurance Contracts" | 149 |
| 13 HKFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" | 155 |
| 14 HKFRS 6 "Exploration for and Evaluation of Mineral Resources" | 173 |
| 15 HKFRS 7 "Financial Instruments: Disclosures" | 179 |
| 16 HKFRS 8 "Operating Segments" | 199 |
| 17 HKFRS 9 "Financial Instruments" | 213 |
| 18 HKFRS 10 "Consolidated Financial Statements" | 275 |
| 19 Preparation of Consolidated Financial Statements | 297 |
| 20 HKFRS 11 "Joint Arrangements" | 385 |
| 21 HKFRS 12 "Disclosure of Interests in Other Entities" | 403 |
| 22 HKFRS 13 "Fair Value Measurement" | 417 |
| 23 HKFRS 14 "Regulatory Deferral Accounts" | 435 |
| 24 HKFRS 15 "Revenue from Contracts with Customers" | 451 |

HK(IFRIC) Interpretations

| | Page |
|--|------|
| 25 HK(IFRIC)-Int 1 "Changes in Existing Decommissioning, Restoration and Similar Liabilities" | 491 |
| 26 HK(IFRIC)-Int 2 "Members' Shares in Co-operative Entities and Similar Instruments" | 495 |
| 27 HK(IFRIC)-Int 4 "Determining whether an Arrangement contains a Lease" | 499 |
| 28 HK(IFRIC)-Int 5 "Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds" | 505 |
| 29 HK(IFRIC)-Int 6 "Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment" | 509 |
| 30 HK(IFRIC)-Int 7 "Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies" | 513 |
| 31 HK(IFRIC)-Int 8 "Scopes of HKFRS 2" | 517 |
| 32 HK(IFRIC)-Int 9 "Reassessment of Embedded Derivatives" | 519 |
| 33 HK(IFRIC)-Int 10 "Interim Financial Reporting and Impairment" | 523 |
| 34 HK(IFRIC)-Int 11 "HKFRS 2 – Group and Treasury Share Transactions" | 525 |
| 35 HK(IFRIC)-Int 12 "Service Concession Arrangements" | 531 |
| 36 HK(IFRIC)-Int 13 "Customer Loyalty Programmes" | 539 |
| 37 HK(IFRIC)-Int 14 "HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction" | 545 |
| 38 HK(IFRIC)-Int 15 "Agreements for the Construction of Real Estate" | 549 |
| 39 HK(IFRIC)-Int 16 "Hedges of a Net Investment in a Foreign Operation" | 551 |
| 40 HK(IFRIC)-Int 17 "Distribution of Non-cash Assets to Owners" | 555 |
| 41 HK(IFRIC)-Int 18 "Transfers of Assets from Customers" | 561 |
| 42 HK(IFRIC)-Int 19 "Extinguishing Financial Liabilities with Equity Instruments" | 565 |

| | Page |
|---|------|
| 43 HK(IFRIC)-Int 20 "Stripping Costs in the Production Phase of a Surface Mine" | 569 |
| 44 HK(IFRIC)-Int 21 "Levies" | 573 |
| HKAS | |
| 45 HKAS 1 "Presentation of Financial Statements" | 575 |
| 46 HKAS 2 "Inventories" | 617 |
| 47 HKAS 7 "Statement of Cash Flows" | 637 |
| 48 HKAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" | 701 |
| 49 HKAS 10 "Events After the Reporting Period" | 719 |
| 50 HKAS 11 "Construction Contracts" | 729 |
| 51 HKAS 12 "Income Taxes" | 755 |
| 52 HKAS 16 "Property, Plant and Equipment" | 797 |
| 53 HKAS 17 "Leases" | 833 |
| 54 HKAS 18 "Revenue" | 905 |
| 55 HKAS 19 (2011) "Employee Benefits" | 917 |
| 56 HKAS 20 "Accounting for Government Grants and Disclosure of Government Assistance" | 927 |
| 57 HKAS 21 "The Effects of Changes in Foreign Exchange Rates" | 931 |
| 58 HKAS 23 "Borrowing Costs" | 987 |
| 59 HKAS 24 "Related Party Disclosures" | 995 |
| 60 HKAS 26 "Accounting and Reporting by Retirement Benefit Plans" | 1009 |
| 61 HKAS 27 (2011) "Separate Financial Statements" | 1013 |
| 62 HKAS 28 (2011) "Investments in Associates and Joint Ventures" | 1019 |
| 63 HKAS 29 "Financial Reporting in Hyperinflationary Economies" | 1059 |
| 64 HKAS 32 "Financial Instruments: Presentation" | 1069 |
| 65 HKAS 33 "Earnings Per Share" | 1083 |
| 66 HKAS 34 "Interim Financial Reporting" | 1133 |
| 67 HKAS 36 "Impairment of Assets" | 1145 |
| 68 HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets" | 1165 |
| 69 HKAS 38 "Intangible Assets" | 1179 |

| | Page |
|---|------|
| 70 HKAS 39 "Financial Instruments: Recognition and Measurement" | 1195 |
| 71 HKAS 40 "Investment Property" | 1261 |
| 72 HKAS 41 "Agriculture" | 1281 |

HONG KONG (SIC) Interpretations

| | |
|---|------|
| 73 HK(SIC)-Int 10 "Government Assistance – No Specific Relation to Operating Activities" | 1291 |
| 74 HK(SIC)-Int 12 "Consolidation – Special Purpose Entities" | 1293 |
| 75 HK(SIC)-Int 13 "Jointly Controlled Entities – Non-Monetary Contributions by Venturers" | 1295 |
| 76 HK(SIC)-Int 15 "Operating Leases – Incentives" | 1297 |
| 77 HK(SIC)-Int 25 "Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders" | 1301 |
| 78 HK(SIC)-Int 27 "Evaluating the Substance of Transactions Involving the Legal Form of a Lease" | 1303 |
| 79 HK(SIC)-Int 29 "Service Concession Arrangements: Disclosures" | 1309 |
| 80 HK(SIC)-Int 31 "Revenue – Barter Transactions Involving Advertising Services" | 1311 |
| 81 HK(SIC)-Int 32 "Intangible Assets – Web Site Costs" | 1313 |

Finding Aids

| | |
|--------------------|------|
| Abbreviations..... | 1319 |
| Index..... | 1321 |

FINANCIAL REPORTING ENVIRONMENT

| | Page |
|--|------|
| 1 Introduction | 3 |
| 2 Companies Ordinance | 7 |
| 3 Inland Revenue Ordinance..... | 25 |
| 4 Securities and Futures Commission | 35 |
| 5 Hong Kong Stock Exchange..... | 43 |
| 6 Hong Kong Institute of Certified Public Accountants..... | 53 |