

# China Accounting Alert

March 2024

This edition of *China Accounting Alert* provides news and updates on financial reporting in Chinese Mainland, IFRS and EY publications.

## Mainland news and updates

- ▶ China Securities Regulatory Commission (CSRC) issues four policy documents including *Opinions on Improving the Quality of Listed Companies at Source by Strictly Enforcing Admission Criteria for Issuance and Listing (for Trial Implementation)*

In order to thoroughly implement the guidelines of the Central Financial Work Conference and promote the construction of a capital market with Chinese characteristics, the CSRC has issued four policy documents on 15 March 2024, including [Opinions on Improving the Quality of Listed Companies at Source by Strictly Enforcing Admission Criteria for Issuance and Listing \(for Trial Implementation\)](#), [Opinions on Strengthening the Supervision of Listed Companies \(for Trial Implementation\)](#), [Opinions on Strengthening the Supervision of Securities Companies and Public Offering of Fund and Accelerating the Construction of First-class Investment Banks and Investment Institutions \(for Trial Implementation\)](#) and [Opinions on the Implementation of Standards for Political Commitment, Professional Competence and Proper Conduct to Comprehensively Strengthen the Development of the CSRC System](#). Among which:



- ▶ The *Opinions on Improving the Quality of Listed Companies at Source by Strictly Enforcing Admission Criteria for Issuance and Listing (for Trial Implementation)* introduces eight policies and measures, with a focus on improving the quality of listed companies at source, strengthening the supervision of the issuance and listing activities of enterprises in a comprehensive and strict manner, ensuring the fulfillment of responsibilities of all relevant parties across the issuance and supervision processes, and maintaining a good order and ecology for issuance.
- ▶ *Opinions on Strengthening the Supervision of Listed Companies (for Trial Implementation)* focuses on encouraging listed companies to enhance investment value and strengthen investor protection. It puts forward 18 policies and measures in four aspects around key concerns of all parties, such as combating financial fraud, strictly regulating shareholding reduction, strengthening dividend supervision and enhancing market value management.

## IASB news and updates

### ▶ *International Accounting Standards Board (IASB) Update February 2024*

The [February](#) issue of the *IASB Update* highlights preliminary decisions of the IASB meeting held from 19 to 22 February 2024. The board discussed the following:

#### Work plan overview

- ▶ IASB work plan update

#### Research and standard-setting

- ▶ Post-implementation review of IFRS 15 *Revenue from Contracts with Customers*
- ▶ Rate-regulated activities
- ▶ Equity method
- ▶ Post-implementation review of IFRS 9 – Impairment
- ▶ Second comprehensive review of the IFRS for SMEs Accounting Standard

#### Maintenance and consistent application

- ▶ Power purchase agreements
- ▶ Maintenance and consistent application
- ▶ Annual Improvements to IFRS Accounting Standards – Hedge accounting by a first-time adopter (Amendments to IFRS 1 *First-time Adoption of International Financial Reporting Standards*): Analysis of feedback
- ▶ Annual improvements to IFRS Accounting Standards – Gain or loss on derecognition (Amendments to IFRS 7 *Financial Instruments: Disclosures*): Analysis of feedback

- ▶ Annual improvements to IFRS Accounting Standards – Disclosure of deferred difference between fair value and transaction price (Amendments to Guidance on implementing IFRS 7): Analysis of feedback
- ▶ Annual improvements to IFRS Accounting Standards – Derecognition of lease liabilities (Amendments to IFRS 9 *Financial Instruments*): Analysis of feedback
- ▶ Annual improvements to IFRS Accounting Standards – Transaction price (Amendments to IFRS 9): Analysis of feedback
- ▶ Annual improvements to IFRS Accounting Standards – Determination of a 'De Facto Agent' (Amendments to IFRS 10 *Consolidated Financial Statements*): Analysis of feedback
- ▶ Annual improvements to IFRS Accounting Standards – Cost Method (Amendments to IAS 7 *Statement of Cash Flows*): Analysis of feedback
- ▶ Annual improvements to IFRS Accounting Standards – volume 11: Effective date and due process
- ▶ Use of a hyperinflationary presentation currency by a non-hyperinflationary entity (IAS 21 *The Effects of Changes in Foreign Exchange Rates*): Disclosure and transition requirements and other matters
- ▶ Amendments to the classification and measurement of financial instruments

▶ **IFRIC Update March 2024**

During its March 2024 meeting, the IFRS Interpretations Committee (IFRIC) discussed:

Agenda decisions for the IASB's consideration

- ▶ Climate-related commitments (IAS 37 *Provisions, contingent liabilities and contingent assets*)
- ▶ Payments contingent on continued employment during handover periods (IFRS 3 *Business combinations*)

Other matters

- ▶ Post-implementation Review of IFRS 9 *Financial Instruments – Impairment*
- ▶ Work in progress

The [March 2024](#) issue of the *IFRIC Update* summarizes what you need to know about these and other issues discussed at the IFRIC's March 2024 meeting.

▶ **International Sustainability Standards Board (ISSB) Update February 2024**

The [February](#) issue of the ISSB Update highlights preliminary decisions of the ISSB meeting held on 21 February 2024 when the board discussed:

Strategy and governance

- ▶ ISSB Consultation on Agenda Priorities

Applying Standards

- ▶ Supporting the implementation of IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*

▶ **ISSB Update March 2024**

The [March](#) issue of the ISSB Update highlights preliminary decisions of the ISSB meeting held on 13 March 2024 when the board discussed:

Strategy and governance

- ▶ ISSB Consultation on Agenda Priorities

## EY publications

▶ **Good Group – Interim financial statements (June 2024)**

This [edition](#) contains an illustrative set of interim condensed consolidated financial statements for Good Group (International) Limited (the parent) and its subsidiaries (the Group) that is prepared in accordance with International Financial Reporting Standards (IFRS) issued as of 29 February 2024 and effective for annual periods beginning on 1 January 2024.



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