

Accounting and Financial Reporting

E-learning: Accounting considerations arising from abolition of MPF-LSP offsetting mechanism in Hong Kong

COURSE HIGHLIGHTS:

The Government of the HKSAR gazetted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the Amendment Ordinance) in June 2022. The Amendment Ordinance will eventually abolish the statutory right of an employer to reduce its long service payment (LSP) and severance payment payable to a Hong Kong employee by drawing on its mandatory contributions to the mandatory provident fund (commonly known as the 'offsetting mechanism').

Legally, the abolition has a prospective application from May 2025. However, the financial reporting perspective may be different. Based on the HKICPA guidance issued in July 2023, the abolition is likely to have an immediate impact on the financial statements of entities with a significant employee base in Hong Kong. This is notwithstanding that the net LSP position of an entity may have been immaterial to its financial statements in the past.

This e-learning will go through the above-mentioned HKICPA guidance and highlight the key financial reporting considerations in relation to the abolition.

Date and Programme code	Language	CPD hour	Fee
22 August 2023 (ESEMETLS23082201)	Cantonese with English handout and terminology	1.5 CPD hours	<ul style="list-style-type: none">HK\$230 (HKICPA member or student / International Affiliate (IA))HK\$415 (non-member)

Competency Accounting and Financial Reporting

Rating Intermediate Level*

Participants Auditors, preparers, CEOs, CFOs, professional accountants in business

*Please click [here](#) for online registrations and refer to the [Institute's online CPD Learning Resource Centre](#) for descriptions of competency and rating

ABOUT THE SPEAKER:

Mr. Jim Tang
Partner, KPMG

Jim, together with other professionals in KPMG China's Department of Audit Quality and Professional Practice, specialises in supporting the firm and its clients with a wide range of

IFRS/HKFRS financial reporting issues. Jim was previously a full-time seconded partner at KPMG's International Standards Group based in London.

Outside KPMG, Jim is a member of the Financial Reporting Review Panel of the Accounting and Financial Reporting Council in Hong Kong. At the Hong Kong Institute of Certified Public Accountants, he is the deputy chairman of the Financial Reporting Standards Committee, a panel member of the Business Combinations and Reporting Entity Advisory Panel and the Companies Ordinance Application Issues (Financial Reporting) Advisory Panel, and a working group member of the abolition of the MPF-LSP offsetting arrangement.

ABOUT THE REGISTRATION:

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- To register offline (by post or by email), please complete the enclosed enrolment form and return it with full payment to the Institute.
- Confirmation of registration will be sent by email. If you have not received confirmation of your application, please contact

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