

## STAFF PAPER

10 July 2012

## IFRS Interpretations Committee Meeting

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| <b>Project</b>     | <b>IAS 19 <i>Employee benefits</i></b>   |  |                     |
| <b>Paper topic</b> | IFRIC Draft Interpretation D9—Cover note |  |                     |
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This paper has been prepared by the staff of the IFRS Foundation for discussion at a public meeting of the IFRS Interpretations Committee. Comments made in relation to the application of an IFRS do not purport to be acceptable or unacceptable application of that IFRS—only the IFRS Interpretations Committee or the IASB can make such a determination. Decisions made by the IFRS Interpretations Committee are reported in IFRIC *Update*. The approval of a final Interpretation by the Board is reported in IASB *Update*.

## Introduction

1. At this meeting we will be presenting the IFRS Interpretations Committee (the Committee) with three papers relating to our work on the re-exposure of draft interpretation D9 *Employee Benefit Plans with a Promised Return on Contributions or Notional Contributions*.
2. The papers presented are:
  - (a) agenda paper 11A – Comment letter analysis of the responses to D9 in 2005.
  - (b) agenda paper 11B – High level comment letter analysis of the responses on contribution-based promises to the discussion paper *Preliminary Views on Amendments to IAS 19 Employee Benefits*; and
  - (c) agenda paper 11C – Possible revisions to the scope of D9 and the measurement model used in D9.

## This meeting

3. At this meeting we are seeking the views of the Committee on whether the scope of D9 should be amended before re-exposing D9.

4. We are still analysing possible revisions to the measurement model proposed in D9, starting with the proposals developed in 2005 when the Committee last looked at D9. Paper 11C sets out the four potential measurement models that the Committee last considered for D9. These models were prepared prior to the 2011 revisions to IAS 19 which revised the components of the defined benefit cost and removed the use of the corridor.
5. We intend to bring a paper to the September 2012 meeting that provides an updated analysis of these measurement models. However, we welcome any preliminary views that Committee members have on the changes needed to the measurement model that was proposed in D9.
6. We have also been doing outreach to gather information about the different types of contribution-based promise plans and how they are currently being accounted for. We will use the results of this outreach in developing our proposals for the September meeting.

### **Next steps**

7. We plan to bring proposals on the measurement of D9 plans to the Committee in September with the view of bringing a revised draft interpretation to the Committee's November 2012 meeting.