

STAFF PAPER

January 2015

IASB Meeting

Project	Narrow-scope amendments to IAS 19 <i>Employee Benefits</i> and IFRIC 14 <i>IAS19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>		
Paper topic	Combining two proposals of amendments		
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1. The IFRS Interpretations Committee (‘the Interpretations Committee’) received a request to clarify whether a trustee’s power to augment benefits or to wind up a plan affects the employer’s unconditional right to a refund and thus restricts recognition of an asset, in accordance with IFRIC 14 *IAS19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*. The Interpretations Committee discussed this issue and decided to propose that amendments to IAS 19 *Employee Benefits* and IFRIC 14 be made, as a narrow scope amendment.
2. The Interpretations Committee also received a request to clarify the calculation of current service cost and net interest when an entity remeasures the net defined benefit liability (asset) (net DBL) as required by paragraph 99 of IAS 19 (ie when a plan amendment, curtailment or settlement occurred). The Interpretations Committee decided to propose the amendments to IAS 19, as an Annual Improvement.
3. We suggest combining the proposals for the amendments for these two projects as a single package of narrow-scope amendments to IAS 19 and IFRIC 14. This is because both projects relate to IAS 19 and we think that a single package of amendments carried out at the same time would reduce the administrative burden on those responding to both issues.
4. At this meeting, we are presenting papers to explain each issue. The papers are:

- (a) Agenda Paper 12B— Availability of a refund of a surplus from a defined benefit plan when an independent trustee has unilateral powers; and
- (b) Agenda Paper 12C—Remeasurement at a plan amendment, curtailment or settlement.

In each paper, we ask whether the IASB agree with the Interpretations Committee’s recommendation to propose amendments that would add guidance in line with the conclusions by the Interpretations Committee.

Question to the IASB

Question

Does the IASB agree with combining the proposals described in Agenda Paper 12B and Agenda Paper 12C?