

## STAFF PAPER

December 2016

## IASB Meeting

Project	Proposed amendments to IAS 19 and IFRIC 14		
Paper topic	Cover Memo		
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**Background**

1. In June 2015, the International Accounting Standards Board (the Board) published the [Exposure Draft Remeasurement on a Plan Amendment, Curtailment or Settlement/ Availability of a Refund from a Defined Benefit Plan](#) (the Exposure Draft).
2. The comment period for the Exposure Draft ended in October 2015. Seventy-eight respondents provided feedback on the proposals (accessible [here](#)).
3. The Exposure Draft asked respondents to provide views on the proposed amendments to IFRIC 14 *IAS 19—The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction* and *IAS 19 Employee Benefits* in relation to the following:
  - (a) the accounting when other parties can wind up a plan or affect benefits for plan members without an entity’s consent (Question 1 in the Exposure Draft (Q1));
  - (b) the statutory requirements an entity considers in determining the economic benefit available to the entity (Question 2 in the Exposure Draft (Q2));
  - (c) the interaction between the asset ceiling and past service cost or a gain or loss on settlement (Question 3 in the Exposure Draft (Q3));
  - (d) the accounting when a plan amendment, curtailment or settlement occurs (Question 4 in the Exposure Draft (Q4)); and

- (e) the transition requirements (Question 5 in the Exposure Draft (Q5)).
4. At its meetings in July and September 2016, the IFRS Interpretations Committee (the Interpretations Committee) discussed the feedback on the Exposure Draft. It decided to recommend that the Board finalise the proposed amendments to IAS 19 and IFRIC 14, subject to some drafting changes. The [September 2016 IFRIC Update](#) summarises the decisions made at that meeting<sup>1</sup>.

## **Purpose and Structure**

5. The purpose for this meeting is to present the Interpretations Committee's recommendations on the amendments to IAS 19 and IFRIC 14, and ask the Board whether it agrees to finalise the amendments.
- (a) Agenda Paper 12B presents the Interpretations Committee's recommendations on the amendments to IFRIC 14 to address the availability of a refund from a defined benefit plan (Q1 and Q2);
  - (b) Agenda Paper 12C presents the Interpretations Committee's recommendations on the amendments to IAS 19 to address remeasurement when a plan amendment, curtailment or settlement occurs (Q3 and Q4);
  - (c) Agenda Paper 12D presents the Interpretations Committee's recommendations on the transition requirements for these amendments (Q5); and
  - (d) Agenda Paper 12E explains the steps in the *Due Process Handbook* that the Board has taken in developing the amendments, and asks the Board to confirm that it is satisfied that it has complied with the due process requirements to date.

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<sup>1</sup> The following Agenda Papers, discussed at the Interpretation Committee's September 2016 meeting provide a detailed description of the feedback received and the related staff analysis:

- (a) [Agenda Paper 3D](#) and [Agenda Paper 3E](#) summarise the feedback on the proposed amendments; and
- (b) [Agenda Paper 3A](#), [Agenda Paper 3B](#), and [Agenda Paper 3C](#) analyse the feedback on the proposed amendments.

6. In Agenda Papers 12B and 12C, we have analysed what we consider to be the main issues and have outlined the Interpretations Committee's recommendations to address these issues. Appendix A to those papers summarise other concerns raised in comment letters, together with the Interpretations Committee's recommendations to address those matters.