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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels,
C (2008)

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Draft

COMMISSION REGULATION (EC) No .../..

of [...]

amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Financial Reporting Interpretations Committee's (IFRIC) Interpretation 15

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(Text with EEA relevance)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards¹, and in particular Article 3(1) thereof,

Whereas:

- (1) By Commission Regulation (EC) No 1126/2008² certain international standards and interpretations that were in existence at 15 October 2008 were adopted.
- (2) On 3 July 2008, the International Financial Reporting Interpretations Committee (IFRIC) published IFRIC Interpretation 15 *Agreements for the Construction of Real Estate*, hereinafter 'IFRIC 15'. IFRIC 15 is an interpretation that provides clarification and guidance on when revenue from the construction of real estate should be recognised in the accounts, in particular, whether a construction agreement is within the scope of IAS 11 Construction Contracts or IAS 18 Revenue.
- (3) The consultation with the Technical Expert Group (TEG) of the European Financial Reporting Advisory Group (EFRAG) confirms that IFRIC 15 meets the technical criteria for adoption set out in Article 3(2) of Regulation (EC) No 1606/2002. In accordance with Commission Decision 2006/505/EC of 14 July 2006 setting up a Standards Advice Review Group to advise the Commission on the objectivity and neutrality of the European Financial Reporting Advisory Group's (EFRAG's) opinions³, the Standards Advice Review Group considered EFRAG's opinion on endorsement and advised the Commission that it is well-balanced and objective.

¹ OJ L 243, 11.9.2002, p. 1.

² OJ L 320, 29.11.2008, p. 1.

³ OJ L 199, 21.7.2006, p. 33.

- (4) Regulation (EC) No 1126/2008 should therefore be amended accordingly.
- (5) The measures provided for in this Regulation are in accordance with the opinion of the Accounting Regulatory Committee,

HAS ADOPTED THIS REGULATION:

Article 1

In the Annex to Regulation (EC) No 1126/2008, International Financial Reporting Interpretations Committee's (IFRIC) Interpretation 15 *Agreements for the Construction of Real Estate* is inserted as set out in the Annex to this Regulation.

Article 2

Each company shall apply IFRIC 15, as set out in the Annex to this Regulation, at the latest, as from the commencement date of its first financial year starting after 31 December 2009.

Article 3

This Regulation shall enter into force on the third day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, [...]

For the Commission
Charlie McCreevy
Member of the Commission

ANNEX

INTERNATIONAL ACCOUNTING STANDARDS	
IFRIC 15	IFRIC Interpretation 15 <i>Agreements for the Construction of Real Estate</i>

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