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EUROPEAN COMMISSION

Brussels,
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Draft

COMMISSION REGULATION (EU) 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 14

(Text with EEA relevance)

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(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

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 15 November 2009, the International Financial Reporting Interpretations Committee (IFRIC) published amendments to IFRIC Interpretation 14 *Prepayments of a Minimum Funding Requirement*, hereinafter "amendments to IFRIC 14". The aim of the amendments to IFRIC 14 is to remove an unintended consequence of IFRIC 14 in cases where an entity subject to a minimum funding requirement makes an early payment of contributions where under certain circumstances the entity making such a prepayment would be required to recognise an expense. In the case where a defined benefit plan is subject to a minimum funding requirement the amendment to IFRIC 14 prescribes to treat this prepayment, like any other prepayment, as an asset.
- (3) The consultation with the Technical Expert Group (TEG) of the European Financial Reporting Advisory Group (EFRAG) confirms that amendments to IFRIC 14 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

¹ OJ L 243, 11.9.2002, p. 1.

² OJ L 320, 29.11.2008, p. 1.

(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.

- (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 14 is amended as set out in the Annex to this Regulation.

Article 2

Each company shall apply the amendments to IFRIC 14, 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 2010.

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
The President
José Manuel BARROSO

³ OJ L 199, 21.7.2006, p. 33.

ANNEX

INTERNATIONAL ACCOUNTING STANDARDS	
IFRIC 14	<i>Amendments to IFRIC Interpretation 14 Prepayments of a Minimum Funding Requirement</i>

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