



4 September 2006

**To: Members of the Hong Kong Institute of CPAs
All other interested parties**

**INTERNATIONAL FINANCIAL REPORTING INTERPRETATIONS COMMITTEE
(IFRIC) DRAFT INTERPRETATION D19 - IAS 19 *THE ASSET CEILING:
AVAILABILITY OF ECONOMIC BENEFITS AND MINIMUM FUNDING
REQUIREMENTS***

The International Financial Reporting Interpretations Committee's (IFRIC) has issued Draft Interpretation D19 - IAS 19 *The Asset Ceiling: Availability Of Economic Benefits And Minimum Funding Requirements* for consultation.

The IFRIC's Draft Interpretation and the related press release have been posted on the website of the Hong Kong Institute of CPAs (Institute) at www.hkicpa.org.hk/professionaltechnical/accounting/exposedraft/content.php which can also be found on-line at: www.iasb.org.

The Draft Interpretation relates to deferred benefits pension plans and clarifies how to determine the limit on the asset that an employer's balance sheet may contain in respect of its pension plan as well as how the pensions asset or liability may be affected when there is a statutory or contractual minimum funding requirement.

The Institute's Financial Reporting Standards Committee (FRSC) invites comments on the IFRIC Draft Interpretation from any interested party and would like to hear from both those who do agree and those who do not agree with the proposals contained in it. Comments should be supported by specific reasoning and should preferably be submitted in written form.

To allow your comments on the IFRIC Draft Interpretation to be considered and included in the Institute's responses to the IFRIC, comments are invited by **9 October 2006**.

Comments may be sent by mail, fax or e-mail to:

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Comments will be acknowledged and may be made available for public review unless otherwise requested by the contributor.