



RIC • Zimmerstr. 30 • 10969 Berlin

Telefon +49 30 206412-12

Telefax +49 30 206412-15

E-Mail info@drsc.de

Kevin Stevenson
Chairman of the
International Financial Reporting Interpretations Committee
30 Cannon Street

Berlin, 27. August 2004

London EC4M 6XH
United Kingdom

Dear Kevin

Comment letter on IFRIC Interpretation D7

We appreciate the opportunity to comment on IFRIC D7 *Scope of SIC-12 Consolidation – Special Purpose Entities*. We fully endorse IFRIC's aim to support the IASB in establishing and improving International Financial Reporting Standards and we agree with the proposed changes to the scope of SIC-12 Consolidation – Special Purpose Entities.

Issue 1

The first issue addressed in IFRIC Interpretation D7 is whether SIC-12 should be amended to remove the scope exclusion for equity compensation plans.

RIC agrees with this amendment. Removing the scope exclusion for equity compensation plans will lead to consolidation of those plans if the criteria set out in SIC-12 are fulfilled.

Issue 2

The second issue addressed in IFRIC Interpretation D7 is whether the scope exclusion in SIC-12 for post-employment benefit plans should be amended to include other long-term employee benefit plans. At present, SIC-12 does not exclude other long-term employee benefit plans from its scope. However, IAS 19 requires those plans to be accounted for in a manner similar to post-employment benefit plans. RIC considers the suggested amendment of the scope exclusion as being necessary and appropriate.

With best regards

Liesel Knorr
Chairman