

# Rådet för **finansiell rapportering**

International Accounting Standards Board  
30 Cannon Street  
London EC4M 6XH  
United Kingdom

RFR-rs 2008:6

Dear Sir

## **Exposure draft: Amendments to IFRS 2 Share-based payment and IFRIC 11 IFRS 2 - Group and treasury share transactions - Group cash-settled share-based payment transactions**

We are responding to your invitation to comment on the above Exposure Draft and this letter represents the views of the Swedish Financial Reporting Board.

We welcome the opportunity to comment on the proposals, which address one of several implementation issues that have arisen from IFRS 2. We support the proposed accounting for awards that are in the scope of IFRS 2 in the consolidated financial statements, but do not meet the definition of either equity or cash settled arrangements in an entity's separate financial statements. However, we have some detailed comments as set out below.

The proposals refer to awards made by a parent or another entity in the same group, rather than a shareholder that is not a parent or is an entity outside the group. IFRS 2.3 is clear that the scope of IFRS 2 includes transactions in which any shareholder grants an equity settled share based payment in exchange for goods or services (including unidentifiable goods or services as considered in IFRIC 8) received by an entity. The proposed amendments extend the scope of IFRS 2 to cash settled arrangements granted by a parent or another entity in the same group. We believe that the proposals should be amended to require that they are also applied to grants made by any shareholder, irrespective of if the shareholder is a parent company or not.

The amendments do not address how the entity that provides the required cash payments should account for the arrangements. We understand that, when IFRIC 11 was developed, the IFRIC decided not to address the accounting by the parent entity. However, we believe that such guidance might be helpful, particularly now that IFRIC 11 addresses a variety of group schemes.

We agree with the proposed transition provisions.



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If you have any questions concerning our comments please address our Executive member Carl-Eric Bohlin by e-mail to: [carl-eric.bohlin@radetforfinansiellrapportering.se](mailto:carl-eric.bohlin@radetforfinansiellrapportering.se)

Stockholm, April 2, 2008

Yours faithfully,

THE SWEDISH FINANCIAL REPORTING BOARD



Anders Ullberg  
Chairman