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Jenny Carter
Financial Reporting Council
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125 London Wall
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21 November 2014

Subject: FRED 55: Draft Amendments to FRS 102 – Pension obligations (August 2014)

Dear Ms Carter

We welcome the opportunity to respond to the consultation on proposals to amend FRS 102 to clarify the conditions when a pension surplus can be recognised.

In answer to the questions asked, we agree it would be helpful for FRS 102 to be amended to clarify that an entity is not required to recognise any additional liabilities to reflect an agreement with a defined benefit plan to fund a deficit.

We also agree that the proposed amendments to FRS 102 should achieve this and clarify that changes in the effect of a restriction on recognisable surplus should be reported in OCI, rather than in P&L.

Please let me know if you have any questions with regard to our response.

Yours sincerely,

[By email]

Deborah Cooper

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