



Accounting Standards Board

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Dear Sirs

IFRIC Draft Interpretation D20 Customer Loyalty Programmes

I am writing to give the views of the ASB's Urgent Issues Task Force (UITF) on EFRAG's draft comment letter on IFRIC D20. The UITF is submitting its response to the IFRIC in parallel to this letter and I attach a copy.

The UITF does not support the conclusions in the EFRAG draft comment letter. We believe that the IFRIC's proposed consensus provides the appropriate interpretation of IAS 18.

On the specific question of accounting for sales of awards to third parties, the view of the UITF is that they should be accounted for in accordance with the consensus outlined in D20.

It is difficult to come to a view on the specific question of costs and benefits in the absence of further evidence.

Yours sincerely

Ian Mackintosh
Chairman