

IAS 26 *Accounting and Reporting by Retirement Benefit Plans* (May 2010)

Valuation of plan assets

A request was received to clarify the interaction between IAS 26 and IAS 39 *Financial Instruments: Recognition and Measurement* relating to the accounting for retirement benefit plan investments (plan assets), in the financial statements of retirement benefit plans prepared in accordance with IAS 26.

The Committee observed that the guidance in paragraph 32 of IAS 26 is clear that plan assets shall be carried at fair value. The Committee also noted that it is clear that changes in the fair value of plan assets should be presented and disclosed in accordance with paragraph 35 of IAS 26 in the statement of changes in net assets available for benefits.

The Committee concluded that IFRSs are clear and that divergent interpretations are not expected in practice. Consequently, the Committee decided not to add this issue to its agenda or to recommend an amendment to the standards.