



30 Cannon Street, London EC4M 6XH, United Kingdom
Tel: +44 (0)20 7246 6410 Fax: +44 (0)20 7246 6411
Email: iasb@iasb.org Website: www.iasb.org

**International
Accounting Standards
Board**

This document is provided as a convenience to observers at IASB meetings, to assist them in following the Board's discussion. It does not represent an official position of the IASB. Board positions are set out in Standards.

These notes are based on the staff papers prepared for the IASB. Paragraph numbers correspond to paragraph numbers used in the IASB papers. However, because these notes are less detailed, some paragraph numbers are not used.

INFORMATION FOR OBSERVERS

Board Meeting: 18 May 2007, London

Project: Post-employment benefits

Subject: Project update (Agenda paper 10)

1. This paper outlines the remaining work to be done before publishing a Discussion Paper on phase one of the post-employment benefits project. Phase one can be split into two parts:
 - (a) the recognition and presentation of traditional defined benefit plans and
 - (b) cash balance and similar plans (now termed defined return benefits).
2. The staff is drafting the sections of the Discussion Paper on recognition and presentation of traditional defined benefit plans. [Omitted from observer notes.]
3. The definition of defined return promises is discussed in Agenda Papers 10A and 10B. Once the issues in those papers have been resolved, the following issues remain to be addressed:
 - (a) the hierarchy to be used in breaking down a plan that includes a combination of different benefits

- (b) the allocation of benefits to periods of service, for example should the benefits in a significantly back-end loaded defined return promise be recognised in accordance with the benefit formula or on a straight-line basis?
 - (c) the disaggregation (if any) of the change in value of defined return promises into components
 - (d) the treatment of inflation-linked benefit
 - (e) practical measurement issues.
4. The staff plans to bring these issues to the June Board meeting and to distribute a pre-ballot draft of the Discussion Paper early in July. At the July Board meeting the staff will present feedback from the Working Group meeting on 5 June. Sweep issues from pre-ballot draft of the Discussion Paper will be discussed at the September Board meeting. We hope to publish the Discussion paper in October.