



International Accounting Standards Board®

# Press Release

For immediate release

25 January 2002

## **IASB TO PROPOSE FIX FOR EMPLOYEE BENEFITS STANDARD**

The International Accounting Standards Board (IASB) will take action to deal with an unintended effect of the pensions standard, IAS 19 *Employee Benefits*, which was introduced in 1998.

Reflecting the recent fall in global equity markets many pension plans have suffered actuarial losses. At its meeting in London this week, the IASB considered advice from the accounting profession that IAS 19 would have an unintended effect in some situations. The IASB agreed that reporting an asset (and a gain) as a consequence of actuarial loss is an unacceptable consequence of applying IAS 19 in some situations. It has therefore decided to prepare an Exposure Draft of a very small amendment to IAS 19 to ensure that no such gains would be recognised. The draft is expected to be published at the end of February.

The IASB will shortly consider a proposal to reexamine IAS 19 with a view to the convergence of pensions standards worldwide.

**END**

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***NOTES TO EDITORS***

The International Accounting Standards Board (IASB), based in London, began operations in 2001. It is funded by contributions from the major accounting firms, private financial institutions and industrial companies throughout the world, central and development banks, and other international and professional organisations. The 14 Board members (12 of whom are full-time) reside in nine countries and have a variety of functional backgrounds. The Board is committed to developing, in the public interest, a single set of high-quality, global accounting standards that require transparent and comparable information in general purpose financial statements. In pursuit of this objective, the Board cooperates with national accounting standard-setters to achieve convergence in accounting standards around the world.

Upon its inception the IASB adopted the body of International Accounting Standards (IASs) issued by its predecessor, the International Accounting Standards Committee.