



# Press Release

26 November 2009

## **IASB issues minor amendment to pensions accounting and proposes consequential change for first-time adoption of IFRSs**

The International Accounting Standards Board (IASB) today issued a minor amendment to its requirements on accounting for pension plans, and separately published for public comment a proposal to amend IFRS 1 *First-time Adoption of International Financial Reporting Standards*.

### Amendment to pensions accounting

The amendment is to IFRIC 14, which is itself an interpretation of IAS 19 *Employee Benefits*. The amendment applies in the limited circumstances when an entity is subject to minimum funding requirements and makes an early payment of contributions to cover those requirements. The amendment permits such an entity to treat the benefit of such an early payment as an asset.

The amendment, *Prepayments of a Minimum Funding Requirement*, has an effective date for mandatory adoption of 1 January 2011, with early adoption permitted for 2009 year-end financial statements.

*Prepayments of a Minimum Funding Requirement* is available for eIFRS subscribers from today. Printed copies of the exposure draft can also be ordered via the IASB website.

### Proposed limited exemption amendment for first-time adopters of IFRSs

The proposed amendment to IFRS 1 would provide first-time adopters with the same relief available to those already applying IFRSs when they first apply *Improving Disclosures about Financial Instruments* (Amendments to IFRS 7 *Financial Instruments: Disclosures*) issued in March 2009.

The exposure draft is a short document on which the IASB believes that there is likely to be a broad consensus. It has therefore set a 30-day comment period.

The proposals are set out in an exposure draft *Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters* (proposed amendment to IFRS 1), on which the IASB invites comments by **29 December 2009**. The exposure draft is available on the website [www.iasb.org](http://www.iasb.org). Printed copies of the exposure draft can also be ordered via the IASB website.

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**Amendment to IFRIC 14: *Prepayments of a Minimum Funding Requirement***

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**Proposed IFRS 1 amendment: *Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters***

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**NOTES TO EDITORS**

***About the IASB***

The IASB was established in 2001 and is the standard-setting body of the International Accounting Standards Committee (IASC) Foundation, an independent private sector, not-for-profit organisation. The IASB is committed to developing, in the public interest, a single set of high quality, global accounting standards that provide high quality transparent and comparable information in general purpose financial statements. In pursuit of this objective the IASB conducts extensive public consultations and seeks the co-operation of international and national bodies around the world. The IASB has 15 full-time members drawn from ten

countries and a variety of professional backgrounds. By 2012 the IASB will be expanded to 16 members. Its members are appointed by and accountable to the Trustees of the IASC Foundation, who are required to select the best available combination of technical expertise and diversity of international business and market experience. In their work the Trustees are accountable to a Monitoring Board of public authorities.