

April, 2004

To All Members

Dear Member

GN13: Actuarial Statements Required in Connection with the US Statements of Financial Accounting Standards No. 87, No. 88 and No. 132 (FAS 87, 88 and 132)

Introduction

In December 2003, the Financial Accounting Standards Board (FASB) issued a revision to the Statement of Financial Accounting Standards No 132 – Employers’ Disclosures about Pensions and Other Post-retirement Benefits an amendment to FASB Statements No 87, 88, and 106 (FAS132).

At this stage the Pensions Board has taken the view that GN13 should be amended to reflect this revision. It is, however, the Board’s intention to review this Guidance Note along with GN17 (Accounting for Pension Costs under Statement of Standard Accounting Practice No 24), GN36 (Accounting for Retirement Benefits under FRS17) and the anticipated revision to International Accounting Standard No 19 with a view to producing one new “inclusive” Guidance Note in due course.

Detail

GN13: Actuarial Statements Required in Connection with the US Statements of Financial Accounting Standards No. 87, No. 88 and No. 132 (FAS 87, 88 and 132) Version 3.3 comes into effect on 1 June 2004 as a Technical Amendment.

The Guidance Note has been amended to:

- Ensure that references to FAS 132 in the Guidance Note are to the revised version; and
- Clarify that GN9 Version 6.0 should be used for the calculation set out in paragraph 2.5 of GN13 as FASB has approved GN9 Version 6.0 for this purpose (GN9 Version 7.0 came into effect on 20 March 2004)

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Supplements to the Manual of Actuarial Practice are now only being sent to those members who previously requested in writing that this source be continued. If therefore you have requested a posted copy of Guidance Notes, the revised Version 3.3 of GN13 will be attached to this letter as an A4 document. Otherwise a copy of Version 3.3 of GN13 will be found, from its effective date on the profession's Website at: www.actuaries.org.uk/files/pdf/map/Contents.pdf. Before then, it can be found at: www.actuaries.org.uk/link/board_area/pensions.html.

A copy of Version 3.3 of GN13 that tracks the changes which have been made since Version 3.2 can be found on the Pensions Board Website pages at:
www.actuaries.org.uk/link/pensions/pensions_gns_track.xml

From 1 May 2004 members are being given the option of receiving an e-mail to alert them to the fact that covering letters, such as these, have been issued and they will be available on the profession's website – a direct link will be provided. Should you wish to stop receiving these letters in hard form and receive an e-alert instead, please alter your despatch preferences in the members' only part of the profession's website.

Yours sincerely

Ronnie Bowie
Chairman, Pensions Board

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Please reply to Institute, London