Impact of Statement on Financial Position

Fair Value of Plan Assets – end	xx
Projected Benefit Obligation - end	(xx)
Prepaid/(Accrued) Benefit Cost	xx/(xx)

Fair Value of Plan Assets – beg	xx
Contribution	xx
Actual Return	xx
Benefits Paid	(xx)
Fair Value of Plan Assets – end	xx

Projected Benefit Obligation - beg	xx
Service Cost	xx
Interest Expense on PBO	xx
Benefits Paid	(xx)
Remeasurement Loss – PBO	xx
Remeasurement Gain - PBO	(xx)
Projected Benefit Obligation - end	xx

Asset Ceiling

- Present value of refunds or future reductions in contributions.
- The surplus (Prepaid Benefit Cost) allowed to be recognized should not go above the asset ceiling.

Effect of Asset Ceiling (EAC)

- Limits the surplus.
- Interest cost = EAC beg x Discount Rate
- Remeasurements:

EAC – end	xx
EAC – beg	(xx)
Increase in EAC	xx
Interest Cost - EAC	(xx)
Remeasurement Loss - EAC	xx

Leaves:

1. Used – Expensed.
   – Current Salary.

2. Unused – Expensed if vesting and accumulating.
   – Future salary rate.