

## SCHEDULE 1

### COMPANIES ACT INDIVIDUAL ACCOUNTS: COMPANIES WHICH ARE NOT BANKING OR INSURANCE COMPANIES

## PART 2

### ACCOUNTING PRINCIPLES AND RULES

#### SECTION D

#### FAIR VALUE ACCOUNTING

##### **Determination of fair value**

**37.—**(1) The fair value of a financial instrument is its value determined in accordance with this paragraph.

(2) If a reliable market can readily be identified for the financial instrument, its fair value is determined by reference to its market value.

(3) If a reliable market cannot readily be identified for the financial instrument but can be identified for its components or for a similar instrument, its fair value is determined by reference to the market value of its components or of the similar instrument.

(4) If neither sub-paragraph (2) nor (3) applies, the fair value of the financial instrument is a value resulting from generally accepted valuation models and techniques.

(5) Any valuation models and techniques used for the purposes of sub-paragraph (4) must ensure a reasonable approximation of the market value.