



NZ ACCOUNTING
STANDARDS
BOARD

Effective Date of Amendments to NZ IFRS 10 and NZ IAS 28

This Standard was issued on 11 February 2016 by the New Zealand Accounting Standards Board of the External Reporting Board pursuant to section 12(a) of the Financial Reporting Act 2013.

This Standard is a disallowable instrument for the purposes of the Legislation Act 2012, and pursuant to section 27(1) of the Financial Reporting Act 2013 takes effect on 10 March 2016.

Reporting entities that are subject to this Standard are required to apply the Standard in accordance with the effective date set out in Part C.

In finalising this Standard, the New Zealand Accounting Standards Board has carried out appropriate consultation in accordance with section 22(1) of the Financial Reporting Act 2013.

This Standard has been issued to amend relevant New Zealand Tier 1 and Tier 2 for-profit Accounting Standards as a result of changes to the effective date of *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture* (Amendments to NZ IFRS 10 and NZ IAS 28) issued on 16 October 2014.

COPYRIGHT

© External Reporting Board (“XRB”) 2016

This XRB standard contains IFRS Foundation copyright material. Reproduction within New Zealand in unaltered form (retaining this notice) is permitted for personal and non-commercial use subject to the inclusion of an acknowledgment of the source.

Requests and inquiries concerning reproduction and rights for commercial purposes within New Zealand should be addressed to the Chief Executive, External Reporting Board at the following email address: enquiries@xrb.govt.nz

All rights in this material outside of New Zealand are reserved by the IFRS Foundation. Reproduction of XRB standards outside of New Zealand in unaltered form (retaining this notice) is permitted for personal and non-commercial use only. Further information and requests for authorisation to reproduce for commercial purposes outside New Zealand should be addressed to the IFRS Foundation.

ISBN 978-0-947505-04-2

CONTENTS

	<i>page</i>
Part A: Introduction	4
Part B: Amendments to NZ IFRS 10 <i>Consolidated Financial Statements</i>	5
Amendments to NZ IAS 28 <i>Investments in Associates and Joint Ventures</i>	5
Part C: Effective Date	5
NZASB Basis for Conclusions	

The following is available within New Zealand on the XRB website as additional material

Approval by the IASB of the *Effective Date of Amendments to IFRS 10 and IAS 28* issued in December 2015

Amendments to the IASB Basis For Conclusions on IFRS 10 *Consolidated Financial Statements*

Amendments to the IASB Basis For Conclusions on IAS 28 *Investments in Associates and Joint Ventures*

Part A

Introduction

This Standard sets out amendments to NZ IFRS 10 *Consolidated Financial Statements* and NZ IAS 28 *Investments in Associates and Joint Ventures*.

These amendments update and finalise proposals in IASB Exposure Draft ED/2015/7 *Effective Date of Amendments to IFRS 10* and IAS 28 that was issued in August 2015.

The amendments defer the mandatory effective date of amendments to NZ IFRS 10 and NZ IAS 28 that were originally made in *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to NZ IFRS 10 and NZ IAS 28) issued in October 2014, from annual reporting periods beginning on or after 1 January 2016 to annual reporting periods beginning on or after 1 January 2020.

Part B

Scope

This Standard applies to Tier 1 and Tier 2 for-profit entities.

Amendments to NZ IFRS 10 *Consolidated Financial Statements*

In Appendix C, paragraph C1C is amended. Deleted text is struck through and new text is underlined.

Effective date

...
C1C *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to NZ IFRS 10 and NZ IAS 28), issued in October 2014, amended paragraphs 25–26 and added paragraph B99A. An entity shall apply those amendments prospectively to transactions occurring in annual periods beginning on or after ~~1 January 2016~~ 1 January 2020. Earlier application is permitted. If an entity applies those amendments earlier, it shall disclose that fact.

Amendments to NZ IAS 28 *Investments in Associates and Joint Ventures*

Paragraph 45C is amended. Deleted text is struck through and new text is underlined.

Effective date and transition

45C *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (Amendments to NZ IFRS 10 and NZ IAS 28), issued in October 2014, amended paragraphs 28 and 30 and added paragraphs 31A–31B. An entity shall apply those amendments prospectively to the sale or contribution of assets occurring in annual periods beginning on or after ~~1 January 2016~~ 1 January 2020. Earlier application is permitted. If an entity applies those amendments earlier, it shall disclose that fact.

Part C

Effective date

This Standard is effective for annual reporting periods beginning on or after 1 January 2020. Earlier application is permitted.

Appendix

This appendix creates a NZASB Basis for Conclusions on NZ IFRS 10.

In NZ IFRS 10, the Basis for Conclusions is added.
--

NZASB Basis for Conclusions on NZ IFRS 10

This Basis for Conclusions accompanies, but is not part of, NZ IFRS 10.

- BC1 The New Zealand Accounting Standards Board (NZASB) issued this amending standard based on *Effective Date of Amendments to IFRS 10 and IAS 28* as issued by the IASB in December 2015. The IASB's amending standard deferred indefinitely the effective date of *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture* (Amendments to IFRS 10 and IAS 28) issued in October 2014. The IASB deferred the effective date of these amendments pending the completion of its equity accounting project.
- BC2 The Financial Reporting Act 2013 requires all accounting standards issued in New Zealand to have an effective date. The NZASB has therefore determined that the *Effective Date of Amendments to NZ IFRS 10 and NZ IAS 28* should be effective for annual periods beginning on or after 1 January 2020. The NZASB considered that this date would satisfy New Zealand's legislative requirements and provided an appropriate period for the IASB to complete its equity accounting project. If the IASB continues to defer the effective date of *Sale or Contribution of Assets Between an Investor and its Associate or Joint Venture* (Amendments to IFRS 10 and IAS 28) beyond annual periods beginning on or after 1 January 2020, the NZASB will reassess the effective date of these amendments in New Zealand.
- BC3 In all other respects *Effective Date of Amendments to NZ IFRS 10 and NZ IAS 28* is consistent with *Effective Date of Amendments to IFRS 10 and IAS 28*.