

New Zealand Accounting Standards Board

**Minutes of the Meeting held via videoconference on Wednesday 1 April 2020¹
commencing at 9.15am**

- Members present:** Kimberley Crook
Nives Botica-Redmayne
Francis Caetano
Charles Hett
Karl Hickey
Denise Hodgkins
Kris Peach
Angela Ryan
Richard Smyth
Jason Stinchcombe
- Apologies:** Lyn Hunt (on leave of absence)
Nives Botica-Redmayne (12.25pm to 3.05pm)
Karl Hickey (12.25pm to 2.45pm)
- Observers:** Zowie Pateman – Deputy Leader, Reporting and Assurance,
Chartered Accountants Australia and New Zealand (agenda items 3,
5 and 6)
AASB staff observed the following agenda items:
James Barden (agenda item 5)
Patricia Au (agenda items 3 and 4))
- In attendance:** April Mackenzie – Chief Executive (in part)
Anthony Heffernan – Director, Accounting Standards
David Bassett – Deputy Director, Accounting Standards
Tracey Crookston – Project Manager, Accounting Standards
Lisa Kelsey – Senior Project Manager, Accounting Standards
Judith Pinny – Project Manager, Accounting Standards
Joanne Scott – Senior Project Manager, Accounting Standards
Vanessa Sealy-Fisher – Senior Project Manager, Accounting
Standards
Gali Slyuzberg – Project Manager, Accounting Standards

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3. IPSASB REVENUE AND EXPENSES

The Board began its consideration of IPSASB Exposure Draft (ED) 70 *Revenue with Performance Obligations* and IPSASB ED 71 *Revenue without Performance Obligations*.

¹ This meeting was postponed from the original scheduled day of 25 March due to the COVID-19 lockdown.

The Board considered and provided feedback on the proposals in ED 70 relating to the clarity of the scope of the ED, and the application guidance about accounting for transactions with components within the scope of both ED 70 and ED 71.

The Board also considered and provided feedback on the proposals in ED 71 that obligations to perform a specified activity or incur eligible expenditure can give rise to present obligations that meet the definition of a liability.

The Board will consider the disclosure requirements in ED 70, the remaining proposals in ED 71 and the proposals in IPSASB ED 72 *Transfer Expenses* at future meetings. At this stage the Board plans to comment on most of the specific matters for comment (SMCs) in ED 70 and ED 71.

The Board considered the revised project plan and agreed that it did not need to meet on 15 April. The Board noted that recent restrictions on public gatherings would affect the planned outreach and encouraged staff to look at other ways of obtaining feedback from constituents.

4. PBE POLICY APPROACH

Agenda item 4.1

The Board:

- (a) REVIEWED the application of the *Policy Approach to Developing the Suite of PBE Standards* (PBE Policy Approach);
- (b) AGREED with the recommendations set out in the summary table on page 2 of agenda item 4.1; and
- (c) RECEIVED an update on the Leases discussion at the March IPSASB meeting and AGREED to wait for the IPSASB to develop its IPSAS on Leases.

Agenda item 4.3

The Board:

- (a) CONSIDERED the application of the PBE Policy Approach to *Improvements to IPSAS, 2019*; and
- (b) AGREED that some of the amendments should be considered for inclusion in the next Omnibus Amendments to PBE Standards.

5. GENERAL PRESENTATION AND DISCLOSURE

The Board CONSIDERED and provided FEEDBACK on the proposals in IASB ED/2019/7 *General Presentation and Disclosures* relating to the Management Performance Measure (MPMs), unusual income and expenses, aggregation and disaggregation, and amendments to other IFRS Standards.

The Board will consider feedback received from New Zealand constituents and a draft comment letter to the IASB at a future meeting.

6. CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT

The Board:

- (a) APPROVED for issue an amending standard, *Classification of Liabilities as Current or Non-current*; and
- (b) APPROVED the related signing memorandum from the Chair of the NZASB to the Chair of the XRB Board.
- (c) CONSIDERED the application of the PBE Policy Approach to *Classification of Liabilities as Current or Non-current* and AGREED to wait for the IPSASB to propose adopting the amendments via its Amendments to IPSAS project in 2020.

7. STANDARDS APPROVED

The Board NOTED that the following standards have been issued:

- (a) *PBE Interest Rate Benchmark Reform*, which amends PBE IPSAS 41, PBE IFRS 9, PBE IPSAS 29 and PBE IPSAS 30; and
- (b) *Withdrawal of PBE FRS 46* (Amendments to PBE FRS 42).

The Board also NOTED that *Revocation of PBE FRS 46* has been issued.

The Board moved into non-public session.