

New Zealand Accounting Standards Board

**Minutes of the Meeting held via videoconference on Wednesday 17 June 2020
commencing at 9.15am**

- Members present:** Kimberley Crook
Nives Botica-Redmayne
Francis Caetano
Charles Hett
Karl Hickey
Denise Hodgkins
Keith Kendall
Angela Ryan
Richard Smyth
Jason Stinchcombe
- Apologies:** Lyn Hunt (on leave of absence)
- Observers:** Michael Bradbury – XRB Board member
Masood Mehmood – Chartered Accountants Australia and New Zealand
Gerrie Burger – Chartered Accountants Australia and New Zealand (until 12.30 pm)
Jana Schnutz – CPA Australia (until 12.30 pm)
Ram Subramanian – CPA Australia (until 12.30 pm)
AASB staff observed the following agenda items:
Patricia Au (agenda item 3)
Tom Liassis (agenda items 4, 6, 7, 8 and 9)
James Barden (agenda item 5)
Clark Anstis (agenda items 6, 7, 8 and 9)
Ao Li (agenda items 6, 7, 8 and 9)
- In attendance:** April Mackenzie – Chief Executive (in part)
Anthony Heffernan – Director, Accounting Standards
Jamie Cattell – Project Manager, 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

PUBLIC SESSION – AGENDA ITEMS 3 – 9

3. IPSASB REVENUE AND TRANSFER EXPENSES

The Board discussed agenda item 3.1 which outlined the proposals in ED 72 *Transfer Expenses* and raised some issues for consideration by the Board.

The Board provided feedback on which issues should be discussed in the comment letter and highlighted some areas where further feedback from constituents would be useful.

At this stage the Board plans to comment on all the SMCs in ED 72, other than SMC 8 on appropriations.

The Board noted that staff would like to hold an extra short meeting in mid-October to finalise the comment letter on the EDs. Staff will be in touch to arrange a date and time.

4. GOODWILL AND IMPAIRMENT

The Board continue to provide feedback on the IASB Discussion Paper DP/2020/1 *Business Combinations – Disclosures, Goodwill and Impairment* (the DP).

The Board provided feedback on Section 2 of the DP, which includes proposals for improving disclosures on acquisitions.

The Board also provided feedback on whether the IASB’s package of preliminary views expressed in the DP is likely to meet the project’s objectives (Section 1 of the DP).

The Board agreed not to comment on Section 6 of the DP, which contains questions on alignment with US GAAP and on whether any other matters should be considered as part of this project.

5. PRIMARY FINANCIAL STATEMENTS

The Board considered the draft comment letter to the IASB on IASB ED/2019/7 *General Presentation and Disclosures*.

The comment letter will be approved for submission to the IASB at a future meeting.

6. REFERENCE TO THE CONCEPTUAL FRAMEWORK

The Board:

- (a) APPROVED for issue *Reference to the Conceptual Framework*;
- (b) APPROVED the related signing memorandum from the Chair of the NZASB to the Chair of the XRB Board;
- (c) AGREED not to revoke the 2010 NZ *Framework* until the IASB has completed its project on Rate-regulated Activities;
- (d) CONSIDERED the application of the PBE Policy Approach to *Reference to the Conceptual Framework*; and
- (e) AGREED that no changes are needed to PBE Standards in respect of *Reference to the Conceptual Framework*.

7. ONEROUS CONTRACTS—COST OF FULFILLING A CONTRACT

The Board

- (a) APPROVED for issue *Onerous Contracts—Cost of Fulfilling a Contract*;
- (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 *Onerous Contracts—Cost of Fulfilling a Contract*; and
- (d) AGREED to wait for the IPSASB to propose adopting the amendments into IPSAS before making changes to PBE Standards in respect of *Onerous Contracts—Cost of Fulfilling a Contract*.

8. ANNUAL IMPROVEMENTS TO NZ IFRS 2018–2020

The Board

- (a) APPROVED for issue *Annual Improvements to NZ IFRS 2018–2020*;
- (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 *Annual Improvements to NZ IFRS 2018–2020*; and
- (d) AGREED to wait for the IPSASB to propose adopting the amendments into IPSAS before making changes to PBE Standards in respect of *Annual Improvements to NZ IFRS 2018–2020*.

9. PROPERTY, PLANT AND EQUIPMENT—PROCEEDS BEFORE INTENDED USE

The Board

- (a) APPROVED for issue *Property, Plant and Equipment—Proceeds before Intended Use*;
- (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 *Property, Plant and Equipment—Proceeds before Intended Use*; and
- (d) AGREED to wait for the IPSASB to propose adopting the amendments into IPSAS before making changes to PBE Standards in respect of *Property, Plant and Equipment—Proceeds before Intended Use*.