

New Zealand Accounting Standards Board

**Minutes of the Meeting held on Thursday 6 May 2021 which was held virtually
and commenced at 2.00pm**

Members present:	Carolyn Cordery (Chair) Michael Bradbury Francis Caetano Karl Hickey Denise Hodgkins Angela Ryan Richard Smyth Jason Stinchcombe
Apologies:	Nives Botica-Redmayne Keith Kendall
Guests:	Angus Thomson
Observers:	<i>AASB staff:</i> Patricia Au Nikole Gyles – Technical Director, AASB
In attendance:	Anthony Heffernan – Director, Accounting Standards Nicola Hankinson – Senior Project Manager, Accounting Standards Joanne Scott – Senior Project Manager, Accounting Standards Vanessa Sealy-Fisher – Senior Project Manager, Accounting Standards

PUBLIC SESSION – AGENDA ITEMS 1 – 2

1. WELCOME AND INTRODUCTION

The Chair, Carolyn Cordery, welcomed members to the meeting.

1.1 Apologies

Apologies were received from Nives Botica-Redmayne and Keith Kendall.

1.2 Declarations of interest

Members indicated that, in the normal course of their day-to-day professional responsibilities, they deal with a broad range of financial reporting issues. Members have adopted the standing policy in respect of declarations of interest that a specific declaration will be made where there is a particular issue before the Board.

2. PUBLIC SECTOR INSURANCE

The Board DISCUSSED risk adjustments for non-financial risk – agenda item 5.3 from the April 2021 meeting.

The Board noted that Agenda paper 5.3 outlines:

- (a) a comparison of risk adjustment requirements under PBE IFRS 17 versus PBE IFRS 4 *Insurance Contracts*;
- (b) the proposals regarding risk adjustments in NZASB ED 2018-7, PBE IFRS 17 *Insurance Contracts* and AASB Discussion Paper *Australian-specific Insurance Issues – Regulatory Disclosures and Public Sector Entities*;
- (c) current practices for recognising and measuring risk margins (under PBE IFRS 4 *Insurance Contracts* and AASB 1023 *General Insurance Contracts*) among Australian and New Zealand entities and recent stakeholder feedback;
- (d) suggested approaches to recognising and measuring risk adjustments in the public sector under PBE IFRS 17; and
- (e) disclosures about risk adjustments required in PBE IFRS 17.

The Board provided feedback on the paper but did not make any decisions in response to the staff recommendations in the agenda paper.