

New Zealand Accounting Standards Board

Minutes of the virtual meeting held on Thursday, 16 February 2023, which commenced at 9.00 am

Members present:	Carolyn Cordery (Chair) Michael Bradbury Francis Caetano Denise Hodgkins Richard Perry Richard Smyth Jason Stinchcombe Lara Truman Warwick White
Apologies:	Keith Kendall
Guests:	Ian Carruthers, IPSASB Chair (agenda item 3) Haydn Clark, Inland Revenue (agenda item 5) Casey Plunket, Inland Revenue (agenda item 5)
Observers:	Ian Carruthers, IPSASB Chair (agenda items 1–2 and 4–5) Haydn Clark, Inland Revenue (agenda item 5A) Casey Plunket, Inland Revenue (agenda item 5A) Leana van Heerden, Deloitte (agenda items 6–6A) John Ngiam, CAANZ (agenda items 4 and 6A–7) Dakhshina Quar, CAANZ (agenda items 6–6A) <i>AASB staff:</i> Fridrich Housa (agenda items 1–9) Nikole Gyles (agenda item 3-4) Maggie Man (agenda item 4–9) Ao Li (agenda items 4–5A and 7–8) Kimberley Carney (agenda items 5–8)
In attendance:	Anthony Heffernan – Director, Accounting Standards Charis Halliday – Technical Director, Accounting Standards Carly Berry – Project Manager, Accounting Standards Tereza Bublikova – Project Manager, Accounting Standards Jamie Cattell – Project Manager, Accounting Standards Gali Slyuzberg – Senior Project Manager, Accounting Standards

PUBLIC SESSION – AGENDA ITEM 4

4 TIER 3 STANDARDS

The Board:

- (a) CONSIDERED the feedback received on the EDs *Proposed Amendments to the Tier 3 (NFP) Standard and Tier 3 (PS) Standard*; and
- (b) PROVIDED FEEDBACK on staff recommendations to update the draft Tier 3 Standards in response to the ED feedback received.

The next steps in the project will include the review of draft transition provisions and then Board approval of the amended Tier 3 Standards for issuance.

PUBLIC SESSION – AGENDA ITEMS 6–8

6 PBE LEASES: RESPONDING TO IPSASB ED

The Board AGREED NOT to actively consult in New Zealand on IPSASB ED 84 *Concessionary Leases and Right-of-Use Assets In-kind*, and instead to undertake targeted consultation with key stakeholders. Based on the feedback received Staff will develop options for addressing any issues identified with current accounting practice for concessionary leases in New Zealand.

6A PBE LEASES: ANALYSIS OF RESPONSES TO NZASB ED

The Board AGREED:

- (a) to finalise PBE IPSAS 43 *Leases* in the near future, and not to defer it until additional New Zealand requirements for concessionary leases are developed; and
- (b) that staff should explore further the option of developing practical expedients in relation to the right-of-use model – in the first instance this will be considered from the not-for-profit perspective.

7 DISCLOSURE OF FEES PAID TO AUDIT FIRMS

The Board provided FEEDBACK on:

- (a) The updated draft amending standards on *Disclosure of Fees Paid to Audit Firms*, following Board’s discussion in December 2022 on the key issues raised by ED respondents; and
- (b) How to address the remaining issues raised by ED respondents.

The Board agreed for the updated draft amending standards to be shared with ED respondents and other key stakeholders for a final ‘fatal flaw review’. After this process has been completed the amending standards will be bought back to the Board for final approval.

8 SECOND COMPREHENSIVE REVIEW OF IFRS FOR SMEs

The Board APPROVED the comment letter to the IASB on the ED *Second Comprehensive Review of IFRS for SMEs*, subject to amendments raised at the meeting being reviewed by the Chair.