

New Zealand Accounting Standards Board

Minutes of the meeting held virtually on Thursday, 9 May 2024,
which commenced at 9.00 am

Members present: Carolyn Cordery (Chair)
Francis Caetano
Keith Kendall
Richard Perry
Lara Truman
Richard Smyth
Jason Stinchcombe
Warwick White

Apologies: Michael Bradbury (Deputy Chair)

Guests: None

Observers: John Ngiam, CAANZ (agenda items 3 and 4)
Zowie Pateman, CAANZ (agenda items 3 – 7)
Lisa Stirling, BakerTilly (agenda item 3)
Angus Thomson, AASB Contractor (agenda items 2 - 3)

AASB staff:

Helena Simkova (agenda items 2- 5, 7 and 9)
Lan Lu (agenda items 3 and 4)
Patricia Au (agenda items 4)
Fridrich Housa (agenda items 3 – 7)

In attendance: Michelle Lombaard – Director, Accounting Standards (all agenda items)
Carly Berry – Project Manager, Accounting Standards (all agenda items)
Tereza Bublikova – Project Manager, Accounting Standards (agenda item 6)
Jamie Cattell – Project Manager, Accounting Standards (all agenda items)
Gali Slyuzberg – Senior Project Manager, Accounting Standards (all agenda items)
Alex Stainer – Project Manager, Accounting Standards (agenda item 7)
Leana Van Heerden – Senior Project Manager, Accounting Standards (all agenda items)
Anna Herlender – Project Manager, Assurance Standards (agenda item 3)

3 NZ IFRS 18 Presentation and Disclosure in Financial Statements

The Board:

- (a) AGREED with our approach to RDR concessions in NZ IFRS 18 for Tier 2 for-profit entities;
- (b) APPROVED NZ IFRS 18 for issue;
- (c) APPROVED the signing memorandum from the Chair of the NZASB to the Chair of the XRB Board requesting approval to issue NZ IFRS 18 (subject to final clearance from the Chair of the NZASB on additional wording for the signing memorandum agreed upon during the meeting); and
- (d) CONSIDERED the application of the PBE Policy Approach and AGREED NOT to develop a PBE Standard using NZ IFRS 18 as a starting point in advance of the IPSASB completing its Presentation of Financial Statements project.

4 IPSASB ED 88 Arrangements for Conveying Rights over Assets

The Board DISCUSSED the ED and APPROVED the comment letter.

5 PBE Revenue and Transfer Expenses – New Zealand enforcement mechanisms and project update

The Board:

- (a) AGREED with staff's recommendation not to develop guidance (whether authoritative or non-authoritative) on New Zealand specific enforcement mechanisms and consequences;
- (b) Provided FEEDBACK on our findings on appropriations and suggested staff explore the different types of New Zealand appropriations to ensure the IPSAS 47 and IPSAS 48 guidance is sufficient;
- (c) AGREED with staff's recommendation to update the non-authoritative appropriation guidance by:
 - i. removing the reference to IPSAS 24 Presentation of Budget Information in Financial Statements from the IPSAS 47 and IPSAS 48 Implementation Guidance.
 - ii. rewording the definition of appropriations as – an authorisation granted by a legislative body (i.e. the enabling authority) to ~~allocate funds~~ incur expenses or capital expenditure for the purpose specified by the legislature or similar authority – i.e. removing the strike through words and adding the underlined words.
 - iii. considering if there are other changes required to the guidance on appropriations in the IPSAS 47 and IPSAS 48 Bases for Conclusions, Implementation Guidance and Illustrative Examples to align with the New Zealand context.
- (d) Provided FEEDBACK on staff's intention to develop non-authoritative guidance and/or educational material for:
 - i. The interaction between the new PBE Standards and PBE IPSAS 19.

- ii. The accounting for multi-party community initiatives.

6 Omnibus Amendments to PBE Standards

The Board:

- a) CONSIDERED the application of the PBE Policy Approach to *Improvements to IPSAS, 2023* and AGREED to:
 - i. Include Part 1 *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants* into the ED 2024 Omnibus Amendments to PBE Standards, and;
 - ii. Consider Part 2 *Interest Rate Benchmark Reforms – Phase 2* (amendment relating to leases) and Part 3 *Lease Liability in a Sale and Leaseback* as part of the next steps of the New Zealand PBE Leases projects.
- b) APPROVED ED 2024 Omnibus Amendments to PBE Standards and the accompanying Consultation Document to be issued for public consultation with a 90-day consultation period.

7 Defer mandatory date of amendments to NZ IFRS 10 and NZ IAS 28

The Board:

- (a) APPROVED for issue the *Mandatory Date of Amendments to NZ IFRS 10 and NZ IAS 28 (2024)*; and
- (b) APPROVED the signing memorandum from the Chair of the NZASB to the Chair of the External Reporting Board requesting approval to issue *Mandatory Date of Amendments to NZ IFRS 10 and NZ IAS 28 (2024)*.

Next meeting

Thursday 13 June 2024 is a full-day in-person meeting in Auckland.

Meeting closes