

New Zealand Accounting Standards Board

**Minutes of the Meeting held on Thursday 14 December 2017
at XRB Office, Level 7, 50 Manners St, Wellington, commencing at 9.15am**

- Members present:** Kimberley Crook
Todd Beardsworth
Nives Botica-Redmayne
Francis Caetano
Charles Hett
Lyn Hunt
Karl Hickey
Kris Peach (via teleconference)
Richard Smyth
- Apologies:** Karl Hickey (from 1pm to 3pm)
Angela Ryan
- Guest:** Ceri-Ann Ross – Reporting Leader, CA ANZ (agenda items 3 and 5)
- Observers:** Clark Anstis – Technical Principal, AASB (agenda item 6)
Shachini Dissanayake – Project Manager, AASB (agenda item 11.2)
Nicola Hankinson – National Technical Director, Staples Rodway (agenda item 3)
Christine Helliard – Research Director, AASB (agenda item 11.2)
Maggie Man – Practice Fellow, AASB (agenda item 11.2)
Daniel Valuckas – Graduate Intern, AASB (agenda items 6 and 11.2)
- In attendance:** Warren Allen – Chief Executive
Anthony Heffernan – Director, Accounting Standards
David Bassett – Deputy Director, Accounting Standards
Tracey Crookston – Project Manager, Accounting Standards
Lisa Kelsey – Senior Project Manager, Accounting Standards
Aimy Luu Huynh – 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

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3. REVENUE AND NON-EXCHANGE EXPENSES

The Board:

- (a) CONSIDERED the submissions received on the IPSASB Consultation Paper *Accounting for Revenue and Non-Exchange Expenses* (the CP), including agreeing upon some changes to its draft comment letter to the IPSASB;

- (b) APPROVED the draft comment letter to the IPSASB on the CP, subject to the changes agreed at the meeting; and
- (c) AGREED the process for finalising the comment letter.

4. IPSASB ED 63 SOCIAL BENEFITS

The Board:

- (a) RECEIVED an education session on IPSASB ED 63 *Social Benefits*; and
- (b) NOTED the outreach that had already occurred and made some further suggestions to obtain feedback from constituents.

The Board will consider an initial draft of the comment letter at its next meeting. The Board noted that comments are due to the IPSASB by 31 March 2018.

The Board noted staff had contacted various parties about ED 63 and suggested that staff look at organising a roundtable discussion with interested parties.

The Board moved out of public session.

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6. RDR NZ IFRS 16 LEASES (AND NZ IAS 7)

The Board:

- (a) APPROVED for issue Exposure Draft *Proposed RDR for NZ IFRS 16 and NZ IAS 7* and the accompanying Invitation to Comment; and
- (b) AGREED to issue the Exposure Draft in mid-January 2018 with a comment period of 90 days.

7. IPSASB ED 62 FINANCIAL INSTRUMENTS

The Board NOTED the submissions received on ED 62 *Financial Instruments* and APPROVED the draft comment letter on ED 62, subject to the changes agreed at the meeting. The comment letter will be submitted by the end of the year.

8. LIMITED SCOPE PROJECT – TIER 3 AND TIER 4 STANDARDS

The Board AGREED to include four types of amendments in ED NZASB 2018-1 *2018 Omnibus Amendments to Tier 3 and Tier 4 PBE Accounting Requirements* (the ED). They are:

- (a) amendments to the Tier 3 PBE Accounting Requirements arising from the PBE Conceptual Framework;
- (b) limited amendments to the Tier 3 and Tier 4 PBE Accounting Requirements to address some implementation issues raised;

- (c) amendments to the Tier 4 PBE Accounting Requirements to reflect recent changes to the Tier 4 size criteria, given effect by the *2017 Amendments to XRB A1 Application of the Accounting Standards Framework (2017 Amendments to XRB A1)*; and
- (d) minor editorial corrections.

Apart from issue 4.3, the Board AGREED with the amendments as tabled at agenda item 8.1, subject to any changes agreed at the meeting.

The Board AGREED that no amendments are to be made for issue 4.3: Accounting for multi-year grants/donation expense but that this issue will be considered as part of the post implementation review of the Tier 3 PBE Accounting Requirements.

The Board APPROVED the amendments to the Tier 3 and Tier 4 Explanatory Guides (agenda item 8.3).

The ITC and ED will be brought back to the next meeting for approval by the Board.

9. LONG-TERM INTERESTS IN ASSOCIATES AND JOINT VENTURES (AMENDMENTS TO NZ IAS 28)

The Board:

- (a) APPROVED for issue *Long-term Interests in Associates and Joint Ventures (Amendments to NZ IAS 28)* (agenda item 9.2);
- (b) APPROVED the Certificate Signing Memorandum from the Chair of the NZASB to the Chair of the XRB Board requesting approval to issue the amending standard (agenda item 9.3); and
- (c) AGREED not to incorporate *Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)* into PBE Standards at this time. Instead, the Board AGREED to wait for the IPSASB to consider the incorporation of these amendments into International Public Sector Accounting Standards (agenda item 9.4).

10. STANDARDS APPROVED

The Board noted that the following standards have been approved:

- (a) *2017 Omnibus Amendments to NZ IFRS*;
- (b) *PBE FRS 48 Service Performance Reporting*; and
- (c) *Prepayment Features with Negative Compensation (Amendments to NZ IFRS 9)*.

The Board moved out of public session.