

New Zealand Accounting Standards Board

**Minutes of the Meeting held on Wednesday 21 March 2018
at XRB Office, Level 7, 50 Manners St, Wellington, commencing at 9.20am**

- Members present:** Kimberley Crook
Todd Beardsworth
Nives Botica-Redmayne
Francis Caetano
Charles Hett
Lyn Hunt
Karl Hickey
Kris Peach (up to 3pm)
Richard Smyth
- Apologies:** Kris Peach (from 3pm)
Angela Ryan
- Observers:** Nicola Hankinson – National Technical Director, Staples Rodway (agenda item 6)
Janri Pretorius – Senior Project Manager, AASB (agenda item 4)
- In attendance:** Warren Allen – Chief Executive (from 1pm)
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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4. IPSASB ED 63 SOCIAL BENEFITS

The Board NOTED the submissions received on ED 63 *Social Benefits* and APPROVED the draft comment letter on ED 63, subject to the changes agreed at the meeting. The comment letter will be submitted to the IPSASB by the end of March.

5. PBE POLICY APPROACH

The Board reviewed the application of the *Policy Approach to Developing the Suite of PBE Standards* (PBE Policy Approach) and AGREED to:

- (a) wait for the IPSASB to complete its revenue project and then apply the PBE Policy Approach to the IPSASB's new and revised revenue standards;

- (b) continue to closely monitor the IPSASB's project on leases;
- (c) monitor any International Accounting Standards Board (IASB) developments regarding the equity method;
- (d) consider the amendments in approval 54 as it develops a standard based on IPSAS 40 *Public Sector Combinations*;
- (e) review, as appropriate, the effective date (currently 2020) of the narrow scope amendments to NZ IFRS 10 and NZ IAS 28 (approval 54) as the IASB has deferred the effective date of these amendments indefinitely. It was noted that under New Zealand law, accounting standards must have an effective date when they are issued;
- (f) continue to monitor the IPSASB's improvements project (ED 65); and
- (g) continue to monitor the IPSASB's financial instruments project to update IPSAS Standards 28 to 30.

The Board NOTED:

- (a) that it agreed at its February 2018 meeting to develop a PBE Standard based on IFRS 17 *Insurance Contracts*;
- (b) the status of the other IASB pronouncements that have not yet been incorporated into the PBE Standards;
- (c) that a PBE Standard based on IPSAS 40 is being developed; and
- (d) that the IPSASB has reissued *Financial Reporting under the Cash Basis of Accounting*.

6. IPSASB ED 64 LEASES

The Board:

- (a) CONSIDERED the lessor accounting model proposed in ED 64;
- (b) PROVIDED feedback that it did not support the lessor accounting model proposed in ED 64; and
- (c) PROVIDED feedback on the structure of, and matters to include in, the Board's comment letter on ED 64.

7. IPSASB STRATEGY AND WORK PLAN CONSULTATION

The Board:

- (a) CONSIDERED the IPSASB *Proposed Strategy and Work Plan 2019–2023* consultation (the Consultation Document); and
- (b) PROVIDED comments on the Specific Matters for Comment in the Consultation Document for the purpose of providing DIRECTION for staff to draft the NZASB's comment letter (agenda item 7.2).

8. PLAN AMENDMENT, CURTAILMENT OR SETTLEMENT

The Board:

- (a) APPROVED for issue *Plan Amendment, Curtailment or Settlement* (Amendments to NZ IAS 19);
- (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; and
- (c) CONSIDERED the application of the PBE Policy Approach to the Amendments to NZ IAS 19 and NOTED that the IPSASB will propose equivalent amendments to IPSAS 39 *Employee Benefits* in ED 65 *Improvements to IPSAS 2018*. These amendments will be addressed in a future PBE Omnibus project.

9. STANDARD APPROVED

The Board noted *Annual Improvements to NZ IFRSs 2015–2017 Cycle* has been approved.

The Board moved out of public session.