

# Job Description for Individual NZASB Members

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EXTERNAL REPORTING BOARD

*Te Kāwai Ārahi Pūrongo Mōwaho*

## **Job Description for New Zealand Accounting Standards Board Members**

### **New Zealand Accounting Standards Board**

The New Zealand Accounting Standards Board (NZASB) is a sub-Board of the External Reporting Board (XRB) responsible for the development, approval and promulgation of accounting standards for application in New Zealand.

### **Responsibilities of the NZASB**

The NZASB's specific responsibilities are:

- Develop or adopt, expose, finalise and promulgate accounting standards appropriate for general purpose financial reporting (GPFR) by entities required to prepare GPFR under New Zealand legislation. Such standards are to be consistent with the "financial reporting strategy" established from time-to-time by the External Reporting Board and should include:
  - the adoption of international standards, development of standards jointly with Australia, or the development of New Zealand specific standards as may be required by the strategy;
  - guidance on the reporting of non-financial as well as financial information included in financial reports as may be required by the strategy;
  - standards for differential reporting and simple format reporting in accordance with any tier structure established by the strategy;
- Develop and promulgate guidance material to support the application of issued standards to the extent necessary;
- Undertake or commission research relating to financial accounting issues relevant to GPFR;
- Liaise with the Australian Accounting Standards Board over the convergence of New Zealand and Australian accounting standards within the parameters of the financial reporting strategy established by the XRB;
- Prepare submissions to international standard setting bodies on exposure drafts issued by them and/or matters of importance to financial reporting in New Zealand;
- Liaise with, and contribute to the work of, international standard setting bodies in areas of importance to financial reporting in New Zealand and which are consistent with the XRB's financial reporting strategy;
- Participate in relevant international fora and groupings including those involving national standard-setters;
- Contribute as appropriate to the development of the XRB's strategic and operating plans and reports including the annual Statement of Intent and Annual Report;
- Act as thought leaders on financial reporting issues.

## **Role and Responsibilities of Individual Board Members**

Individual NZASB Board Members are responsible for actively contributing to the work of the NZASB as outlined above, including the bringing of individual perspectives, expertise and judgement to the development and collective approval of accounting standards. In doing so individual Board Members are expected to form views based on their own beliefs, experience and judgement and the discussions they have taken part in, and not according to the views of any firm, organisation or constituency with which they are associated.

In carrying out its responsibilities the NZASB will be supported by XRB staff. NZASB Members will be expected to work with the staff on standard setting projects as the need arises and the relative contributions of staff and NZASB Members to the standard setting process are expected to vary from project to project depending on the expertise individuals have in certain areas.

## **Accountabilities**

Members of the NZASB are appointed by the XRB and serve at its pleasure. The standard appointment term is three years but appointments may, at the XRB's discretion, be for longer or shorter periods in order to ensure appropriate succession of NZASB membership.

NZASB Members report to the Chairperson of the NZASB who in turn is accountable to the XRB for the performance of the NZASB.

## **Authorities**

The NZASB will operate with delegated authority from the XRB to act in a quasi-autonomous manner in carrying out its responsibilities, including (and in particular) the promulgation of accounting standards without requiring the approval of the XRB (subject to any requirements under section 33 of the Financial Reporting Act for a member of the XRB to sign certificates of determination). However, in doing so the NZASB, and individual NZASB Members, are required to comply with:

- The sections of the Financial Reporting Act relevant to its functions (including and in particular sections 25, 26, 27, 28, 30, 31 and 33);
- The Terms of Reference for the NZASB established by the XRB;
- The financial reporting strategy established by the XRB; and
- Any other additional written instructions or parameters issued by the XRB from time to time.

## **Time Commitment and Remuneration**

The commitment required of NZASB Members is expected to be in the range of 25-30 days per annum, and involving 8-10 meetings spread throughout the year.

Remuneration is at a fixed daily rate established from time to time by the XRB. It is expected that this will be equivalent to the rate set by the Remuneration Authority for members of the XRB, currently set at \$1,370 per day.

## **Person Specification**

Members of the NZASB will be expected to have:

- A good knowledge of accounting standards as they currently apply in New Zealand;
- An understanding of the role of accounting standards in the economy and society including the public interest dimension;

- An understanding of the international accounting standard setting environment;
- An ability to consider and address accounting issues at the detailed technical level;
- A good understanding of accounting practices and issues in one or more of the following areas: issuers (including listed companies); large for-profit entities; small or medium sized for-profit entities; for-profit public sector entities; public benefit public sector entities; or public benefit not-for-profit entities;
- One or more of the following perspectives: preparer; advisor to preparer; general user; specialist user; auditor; or academic;
- An ability and willingness to consider and contribute to NZASB deliberations and decisions across all of the above areas and perspectives;
- An ability and willingness to actively and constructively contribute to deliberations and discussions in a collegial manner; and
- Proven oral and written communication skills.

An accounting qualification is desirable. Previous experience with accounting standard setting is an advantage but is not a requirement for appointment.