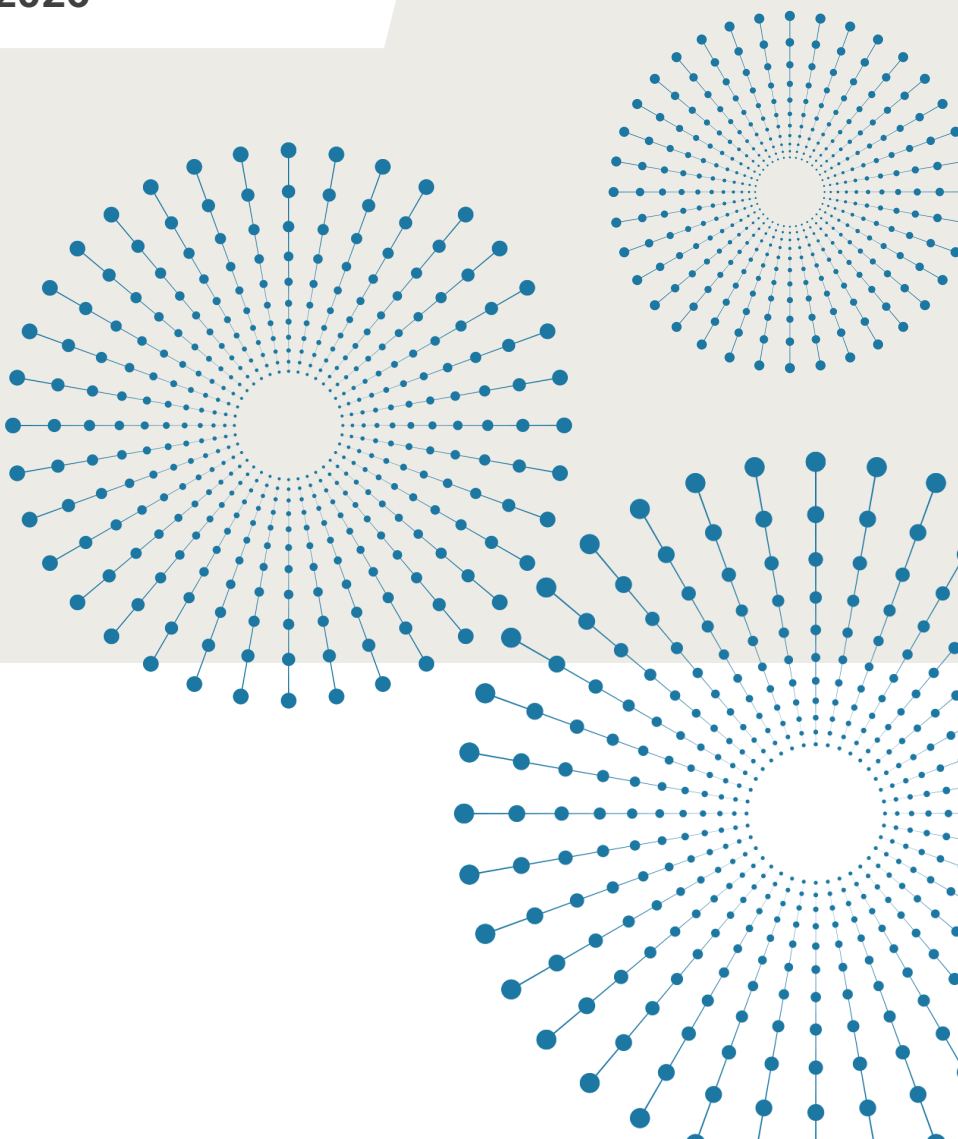


RDR Concessions - Amendments to the Classification and Measurement of Financial Instruments

Amendments to NZ IFRS 7

Mandatory from 1 January 2026

March 2025



RDR CONCESSIONS - AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS



RDR Concessions - Amendments to the Classification and Measurement of Financial Instruments

Issued March 2025

This Tier 2 for-profit amending Standard introduces disclosure concessions in response to new disclosures established by *Amendments to the Classification and Measurement of Financial Instruments*, issued 27 June 2024. This amending Standard modifies the disclosure requirements in NZ IFRS 7 *Financial Instruments: Disclosures*.

In finalising this Standard, the New Zealand Accounting Standards Board has carried out appropriate consultation in accordance with section 22(1) of the Financial Reporting Act 2013.

Legal status of amending Standard

This amending Standard was issued on 13 March 2025 by the New Zealand Accounting Standards Board of the External Reporting Board pursuant to section 12(a) of the Financial Reporting Act 2013.

This amending Standard is secondary legislation for the purposes of the Legislation Act 2019.

The amending Standard, pursuant to section 27(1) of the Financial Reporting Act 2013, takes effect on the 28th day after the date of its publication. The amending Standard was published under the Legislation Act 2019 on 13 March 2025 and takes effect on 10 April 2025.

Commencement and application

The amending Standard has a mandatory date of 1 January 2026, meaning it must be applied by Tier 2 for-profit entities for accounting periods that begin on or after this date.

Application to an earlier accounting period is permitted for accounting periods that end after this amending Standard takes effect – refer to paragraph NZ 44MM.1–NZ 44MM.4 of this amending Standard.

RDR CONCESSIONS - AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

COPYRIGHT

© External Reporting Board (XRB) 2024

This XRB standard contains International Financial Reporting Standards (IFRS®) Foundation copyright material. Reproduction within New Zealand in unaltered form (retaining this notice) is permitted for personal and non-commercial use subject to the inclusion of an acknowledgement of the source.

Requests and enquiries concerning reproduction and rights for commercial purposes within New Zealand should be addressed to the Chief Executive, External Reporting Board at the following email address: enquiries@xrb.govt.nz and the IFRS Foundation at the following email address: permissions@ifrs.org

All existing rights (including copyrights) in this material outside of New Zealand are reserved by the IFRS Foundation. Further information and requests for authorisation to reproduce for commercial purposes outside New Zealand should be addressed to the IFRS Foundation.

ISBN 978-1-99-100564-9

Copyright

IFRS Accounting Standards are issued by the
International Accounting Standards Board
Columbus Building, 7 Westferry Circus, Canary Wharf, London, E14 4HD, United Kingdom.
Tel: +44 (0) 20 7246 6410
Email: info@ifrs.org Web: www.ifrs.org

Copyright © International Financial Reporting Standards Foundation All rights reserved.

Reproduced and distributed by the External Reporting Board with the permission of the IFRS Foundation.

This English language version of the IFRS Accounting Standards is the copyright of the IFRS Foundation.

1. The IFRS Foundation grants users of the English language version of IFRS Accounting Standards (Users) the permission to reproduce the IFRS Accounting Standards for

- (i) the User's Professional Use, or
- (ii) private study and education

Professional Use: means use of the English language version of the IFRS Accounting Standards in the User's professional capacity in connection with the business of providing accounting services for the purpose of application of IFRS Accounting Standards for preparation of financial statements and/or financial statement analysis to the User's clients or to the business in which the User is engaged as an accountant.

For the avoidance of doubt, the abovementioned usage does not include any kind of activities that make (commercial) use of the IFRS Accounting Standards other than direct or indirect application of IFRS Accounting Standards, such as but not limited to commercial seminars, conferences, commercial training or similar events.

2. For any application that falls outside Professional Use, Users shall be obliged to contact the IFRS Foundation for a separate individual licence under terms and conditions to be mutually agreed.
3. Except as otherwise expressly permitted in this notice, Users shall not, without prior written permission of the Foundation have the right to license, sublicense, transmit, transfer, sell, rent, or otherwise distribute any portion of the IFRS Accounting Standards to third parties in any form or by any means, whether electronic, mechanical or otherwise either currently known or yet to be invented.
4. Users are not permitted to modify or make alterations, additions or amendments to or create any derivative works, save as otherwise expressly permitted in this notice.
5. Commercial reproduction and use rights are strictly prohibited. For further information please contact the IFRS Foundation at permissions@ifrs.org.

The authoritative text of IFRS Accounting Standards is that issued by the International Accounting Standards Board in the English language. Copies may be obtained from the IFRS Foundation's Publications Department.

RDR CONCESSIONS - AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

Please address publication and copyright matters in English to:

IFRS Foundation Publications Department

Columbus Building, 7 Westferry Circus, Canary Wharf, London, E14 4HD, United Kingdom.

Tel: +44 (0) 20 7332 2730 Fax: +44 (0) 20 7332 2749

Email: publications@ifrs.org Web: www.ifrs.org

Trade Marks



The Foundation has trade marks registered around the world including 'IAS®', 'IASB®', the IASB® logo, 'IFRIC®', 'IFRS®', the IFRS® logo, 'IFRS for SMEs®', the IFRS for SMEs® logo, the 'Hexagon Device', 'International Accounting Standards®', 'International Financial Reporting Standards®', 'NIIF®', 'SIC®', 'ISSB™' and 'SASB®'. Further details of the Foundation's trade marks are available from the Foundation on request.

Disclaimer

The authoritative text of the IFRS Accounting Standards is reproduced and distributed by the External Reporting Board in respect of their application in New Zealand. The International Accounting Standards Board, the Foundation, the authors and the publishers do not accept responsibility for loss caused to any person who acts or refrains from acting in reliance on the material in this publication, whether such loss is caused by negligence or otherwise.

RDR CONCESSIONS - AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

CONTENTS

	<i>from page</i>
PART A: INTRODUCTION	5
PART B: SCOPE	5
PART C: AMENDMENTS TO NZ IFRS 7 <i>FINANCIAL INSTRUMENTS: DISCLOSURES</i>	
• SIGNIFICANCE OF FINANCIAL INSTRUMENTS FOR FINANCIAL POSITION AND PERFORMANCE	5
• COMMENCEMENT AND APPLICATION	6

RDR CONCESSIONS - AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

Part A – Introduction

This amending Standard modifies the disclosure requirements in NZ IFRS 7 *Financial Instruments: Disclosures* established by *Amendments to the Classification and Measurement of Financial Instruments*, issued 27 June 2024, for Tier 2 for-profit entities.

Part B – Scope

This Standard applies to Tier 2 for-profit entities. A Tier 2 entity is not required to comply with the disclosure requirements in this Standard denoted with an asterisk (*).

Part C – Amendments to NZ IFRS 7 *Financial Instruments: Disclosures*

Paragraphs NZ 44MM.1, NZ 44MM.2, NZ 44MM.3 and NZ44MM.4 are added. For ease of reading these paragraphs have not been underlined. Asterisks are added to paragraphs 11A and 11B, which were amended by *Amendments to the Classification and Measurement of Financial Instruments* in June 2024, to indicate disclosure concessions for Tier 2 entities with respect to these paragraphs. The asterisks are underlined.

Significance of financial instruments for financial position and performance

...

Statement of financial position

...

Investments in equity instruments designated at fair value through other comprehensive income

*11A If an entity has designated investments in equity instruments to be measured at fair value through other comprehensive income, as permitted by paragraph 5.7.5 of NZ IFRS 9, it shall disclose for each class of investment:

- (a) which investments in equity instruments have been designated to be measured at fair value through other comprehensive income.
- (b) the reasons for using this presentation alternative.
- (c) the fair value at the end of the reporting period.
- (d) dividends recognised during the period, showing separately those related to investments derecognised during the reporting period and those related to investments held at the end of the reporting period.
- (e) any transfers of the cumulative gain or loss within equity during the period including the reason for such transfers.
- (f) the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss related to investments derecognised during the reporting period and the fair value gain or loss related to investments held at the end of the reporting period.

*11B If an entity derecognised investments in equity instruments measured at fair value through other comprehensive income during the reporting period, it shall disclose:

RDR CONCESSIONS - AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

- (a) the reasons for disposing of the investments.
- (b) the fair value of the investments at the date of derecognition.
- (c) the cumulative gain or loss on disposal.
- (d) any transfers of the cumulative gain or loss within equity during the reporting period related to the investments derecognised during that reporting period.

...

Commencement and application

...

RDR Concessions – Amendments to the Classification and Measurement of Financial Instruments

NZ44MM.1 *RDR Concessions – Amendments to the Classification and Measurement of Financial Instruments*, issued in March 2025, amended disclosure requirements in paragraph 11A and 11B. An entity shall apply those amendments in accordance with the commencement and application date provisions in paragraphs NZ 44MM.2 - NZ 44MM.4. An entity that applies the amendments to an 'early adoption accounting period' shall disclose that fact.

When amending Standard takes effect (section 27 Financial Reporting Act 2013)

NZ44MM.2 The amending Standard takes effect on the 28th day after the date of its publication under the Legislation Act 2019. The amending Standard was published on 13 March 2025 and takes effect on 10 April 2025.

Accounting period in relation to which standards commence to apply (section 28 Financial Reporting Act)

NZ44MM.3 The accounting periods in relation to which this amending Standard commences to apply are:

- (a) for an **early adopter**, those accounting periods following and including, the **early adoption accounting period**.
- (b) for any other reporting entity, those accounting periods following, and including, the first accounting period for the entity that begins on or after the **mandatory date**.

NZ44MM.4 In paragraph NZ 44MM.3:

early adopter means a reporting entity that applies this amending Standard for an early adoption accounting period

early adoption accounting period means an accounting period of the early adopter:

- (a) that begins before the mandatory date but has not ended or does not end before this amending Standard takes effect (and to avoid doubt, that period may have begun before this amending Standard takes effect); and
- (b) for which the early adopter:
 - (i) first applies this amending Standard in preparing its financial statements; and
 - (ii) discloses in its financial statements for that accounting period that this amending Standard has been applied for that period.

mandatory date means 1 January 2026.