

# Amendments to PBE Standards: Specific IFRIC Interpretations

Proposed Amendments to PBE IPSAS 19  
and PBE IPSAS 10

Consultation document



September 2025

Consultation closes **XX** November 2025



## What is this consultation document about?

The External Reporting Board (XRB) is seeking feedback on the [Exposure Draft Amendments to PBE Standards: Specific IFRIC Interpretations](#) (ED). The ED proposes the following narrow-scope amendments for public benefit entities (PBEs) in Tier 1 and Tier 2:

### **Amendments to PBE IPSAS 19 *Provisions, Contingent Liabilities and Contingent Assets***

These amendments:

- Clarify the accounting for **decommissioning, restoration and similar liabilities** in **Appendix A** of PBE IPSAS 19 – by improving wording and adding illustrative examples; and
- Clarify the scope of **Appendix B** of PBE IPSAS 19, which relates to **decommissioning, restoration and environmental rehabilitation funds**.

The amendments aim to assist PBEs in applying the existing guidance in PBE IPSAS 19 on these topics.

### **Amendments to PBE IPSAS 10 *Financial Reporting in Hyperinflationary Economies***

These amendments clarify how an entity restates its financial statements in the **first year of hyperinflation**. The amendments are relevant when the **functional currency\*** of a PBE or one of its controlled entities becomes hyperinflationary. These proposals may be relevant with hyperinflation becoming more prevalent around the world.

\* Functional currency = currency of the primary economic environment in which the entity operates

## Why are we proposing these amendments?

In New Zealand, PBE Standards for Tier 1 and Tier 2 PBEs are primarily based on International Public Sector Accounting Standards (IPSAS).

In January 2025, the IPSAS Board (IPSASB) issued *Amendments to IPSAS Standards: Specific IFRIC Interpretations*. Those amendments added guidance into IPSAS to clarify certain existing principles. This guidance is based on the following IFRIC Interpretations, which are part of the suite of IFRS Accounting Standards:

- IFRIC 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*
- IFRIC 5 *Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*; and
- IFRIC 7 *Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies*

Guidance from IFRIC 1 and IFRIC 5 is already included in PBE IPSAS 19 in New Zealand. However, we propose improvements to this existing guidance, in line with the IPSASB's amendments. We also propose adding the IPSASB's guidance based on IFRIC 7, which is not yet included in PBE Standards.

We have made some modifications to these IPSASB amendments to reflect the New Zealand context – to be internationally aligned and locally relevant.



### Cost/benefit considerations

As the amendments are clarifying in nature and narrow in scope, we expect the application of the amendments to result in minimal costs. The proposed clarifications will enhance consistent application of PBE Standards.

### Proposed mandatory date

We propose that the amendments have a mandatory date of **1 January 2027**, meaning that they would have to be applied for accounting periods that begin on or after that date.

Application would be permitted for accounting periods that begin before 1 January 2027, but do not end before the amendments take effect (which is 28 days after the final amendments are issued).

## In addition...

### IPSASB amendments that we do not propose to include in PBE Standards

The IPSASB also added into IPSAS the guidance from **IFRIC 14 IAS 19 — *The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*** ([see Part 4 of the IPSASB amendments](#)).

These amendments clarify a specific aspect of how employer entities account for defined benefit plans (i.e. the requirements relating to ‘asset ceiling’).

In New Zealand, there is a small and decreasing number of defined benefit plans into which PBE employers contribute – and we expect that the guidance mentioned above would have limited relevance to these PBEs.

Therefore, we are **not** proposing to add this guidance into PBE Standards in New Zealand.





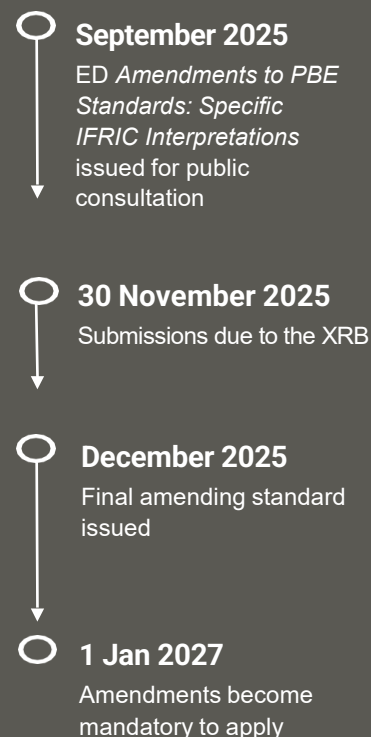
# How to provide feedback?

## Responding to consultation questions

We are seeking comments on the questions below. We will consider all comments received before finalising the amendments to PBE IPSAS 19 and PBE IPSAS 10.

- Q1. Do you agree with the proposed amendments to PBE IPSAS 19?  
If you disagree, please explain why.
- Q2. Do you agree with the proposed amendments to PBE IPSAS 10?  
If you disagree, please explain why.
- Q3. Do you agree with the proposed mandatory date of 1 January 2027 for amendments to PBE IPSAS 19 and PBE IPSAS 10?
- Q4. Do you have any other feedback on the ED proposals?

### Timeline



## Making a submission

You can provide feedback to us via:

- the consultation page on our website (where you can upload a PDF or complete an online form); or
- emailing your formal or informal comments to [accounting@xrb.govt.nz](mailto:accounting@xrb.govt.nz)

The consultation closes on **30 November 2025**

## Publication of submissions, the Official Information Act and the Privacy Act

All submissions will be published on the XRB website unless confidentiality is requested. If you object to the release of any information in your submission, please identify the specific parts and the reasons under the Official Information Act 1982. We reserve the right not to publish defamatory submissions.

Submissions are subject to the Official Information Act 1982 and the Privacy Act 2020. The XRB will handle personal information in accordance with these Acts.