



New Zealand Equivalent to SIC Interpretation 10

Government Assistance—No Specific Relation to Operating Activities (NZ SIC-10)

Issued November 2004 and incorporates amendments to 31 January 2026

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New Zealand Equivalent to SIC Interpretation 10 *Government Assistance—No Specific Relation to Operating Activities* (NZ SIC-10) is set out in paragraph 3.

NZ SIC-10 should be read in the context of the Basis for Conclusions on SIC-10.

Any New Zealand additional material is shown with either “NZ” or “RDR” preceding the paragraph number.

Reduced Disclosure Regime

Tier 2 for-profit entities must comply with all the provisions in NZ SIC-10.

The following is available within New Zealand on the XRB website as additional material

BASIS FOR CONCLUSIONS ON SIC-10

New Zealand Equivalent to SIC Interpretation 10

Government Assistance—No Specific Relation to Activities (NZ SIC-10)

References

- NZ IAS 8 *Basis of Preparation of Financial Statements*
- NZ IAS 20 *Accounting for Government Grants and Disclosure of Government Assistance*

Issue

- 1 In some countries government assistance to entities may be aimed at encouragement or long-term support of business activities either in certain regions or industry sectors. Conditions to receive such assistance may not be specifically related to the operating activities of the entity. Examples of such assistance are transfers of resources by governments to entities which:
 - (a) operate in a particular industry;
 - (b) continue operating in recently privatised industries; or
 - (c) start or continue to run their business in underdeveloped areas.
- 2 The issue is whether such government assistance is a “government grant” within the scope of NZ IAS 20 and, therefore, should be accounted for in accordance with this Standard.

Consensus

- 3 Government assistance to entities meets the definition of government grants in NZ IAS 20, even if there are no conditions specifically relating to the operating activities of the entity other than the requirement to operate in certain regions or industry sectors. Such grants shall therefore not be credited directly to shareholders’ interests.

Basis for Conclusions on SIC-10

- 4 [Paragraph 4 does not form part of NZ SIC-10.]

Effective Date

This Interpretation becomes operative for an entity’s financial statements that cover annual accounting periods beginning on or after 1 January 2007. Early adoption of this Interpretation is permitted only when an entity complies with NZ IFRS 1 *First-time Adoption of New Zealand Equivalents to International Financial Reporting Standards* for an annual accounting period beginning on or after 1 January 2005.

Framework: Tier 1 and Tier 2 For-profit Entities, issued in November 2012, amended extant NZ IFRSs by deleting any public benefit entity paragraphs, deleting any differential reporting concessions, adding scope paragraphs for Tier 1 and Tier 2 for-profit entities and adding disclosure concessions for Tier 2 entities. It made no changes to the requirements for Tier 1 entities. A Tier 2 entity may elect to apply the disclosure concessions for annual periods beginning on or after 1 December 2012. Early application is permitted.

HISTORY OF AMENDMENTS

Table of Pronouncements – NZ SIC-10 *Government Assistance—No Specific Relation to Operating Activities*

This table lists the pronouncements establishing and amending NZ SIC-10. The table is based on amendments approved as at 31 January 2026.

| Pronouncements | Date issued | Early operative date | Mandatory date (annual reporting periods... on or after ...) |
|---|-------------|-----------------------------|--|
| NZ SIC-10 <i>Government Assistance—No Specific Relation to Operating Activities</i> | Nov 2004 | 1 Jan 2005 | 1 Jan 2007 |
| NZ IAS 1 <i>Presentation of Financial Statements</i> (revised 2007) ¹ | Nov 2007 | Early application permitted | 1 Jan 2009 |
| <i>Framework: Tier 1 and Tier 2 For-profit Entities</i> ² | Nov 2012 | Early application permitted | 1 Dec 2012 |
| NZ IFRS 18 <i>Presentation and Disclosure in Financial Statements</i> | May 2024 | Early application permitted | 1 Jan 2027 |

| Table of Amended Paragraphs in NZ SIC-10 | | |
|--|---------------------|--|
| Paragraph affected | How affected | By ... [date] |
| References | Amended | NZ IFRS 18 [May 2024] |
| Paragraph 3 | Terminology changed | NZ IAS 1 [Nov 2007] |
| Effective date | Amended | <i>Framework: Tier 1 and Tier 2 For-profit Entities</i> [Nov 2012] |

¹ Superseded by NZ IFRS 18 *Presentation and Disclosure in Financial Statements*.

² This pronouncement amended extant NZ IFRSs by (i) deleting any public benefit entity paragraphs, (ii) deleting any differential reporting paragraphs, (iii) adding scope paragraphs for Tier 1 and Tier 2 for-profit entities, and (iv) adding RDR disclosure concessions.