

Supporting material to *Amendments to PBE Standards: Specific IFRIC Interpretations* relating to PBE IPSAS 10

The NZASB issued the amending standard *Amendments to PBE Standards: Specific IFRIC Interpretations* in June 2026, which is available on the XRB website.

This document sets out amendments to the Basis for Conclusions accompanying PBE IPSAS 10 *Financial Reporting in Hyperinflationary Economies*, resulting from the above amending standard.

The Basis for Conclusions accompanies, but is not part of, PBE IPSAS 10.

Amendments to Basis for Conclusions on PBE IPSAS 10

Paragraphs BC3 – BC5 and the related heading are added. New text is underlined.

Amendments to PBE Standards: Specific IFRIC Interpretations

- BC3. IFRIC 7 *Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies*, issued by the IASB in November 2005, clarifies how an entity restates its financial statements in a reporting period in which an entity identifies the existence of hyperinflation in the economy of its functional currency. The IPSASB subsequently incorporated this Interpretation into IPSAS 10, *Financial Reporting in Hyperinflationary Economies*, by issuing *Amendments to IPSAS Standards: Specific IFRIC Interpretations* in January 2025.
- BC4. The NZASB considered this guidance is appropriate for application by public benefit entities and amended PBE IPSAS 10 by issuing *Amendments to PBE Standards: Specific IFRIC Interpretations* in June 2026. Those amendments are equivalent to the IPSASB pronouncement, except that more detailed guidance to the restatement of deferred tax items is provided. This guidance reflects PBE IAS 12 *Income Taxes* requirements and is aligned with NZ IFRIC 7 *Applying the Restatement Approach under NZ IAS 29 Financial Reporting in Hyperinflationary Economies*.
- BC5. Illustrative example on the application of IFRIC 7 to the restatement of deferred tax items is available in the additional material for NZ IFRIC 7 on the XRB website.