

Supporting material to *Stripping Costs in the Production Phase of a Surface Mine – Amendments to PBE IPSAS 12 Inventories*

The NZASB issued the amending standard *Stripping Costs in the Production Phase of a Surface Mine – Amendments to PBE IPSAS 12 Inventories* in June 2026, which is available on the XRB website.

This document sets out amendments to the Basis for Conclusions accompanying PBE IPSAS 12 *Inventories* resulting from the above amending standard.

The Basis for Conclusions accompanies, but is not part of, PBE IPSAS 12.

Amendments to Basis for Conclusions on PBE IPSAS 12

Paragraph BC6 and the related heading are added. New text is underlined.

Stripping Costs in the Production Phase of a Surface Mine

BC6. IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine*, issued by IASB in October 2011, provided interpretive guidance when to capitalise or expense costs incurred to remove waste material in surface mining operations. The IPSASB subsequently made equivalent amendments to IPSAS 12 *Inventories*, by issuing amending standard *Stripping Costs in the Production Phase of a Surface Mine* in November 2024. The NZASB therefore made equivalent amendments to PBE IAS 12, by issuing *Stripping Costs in the Production Phase of a Surface Mine – Amendments to PBE IPSAS 12 Inventories* in June 2026.