Te Kāwai Ārahi Pūrongo Mōwaho
EXTERNAL REPORTING BOARD

Assessment for Consistency Accountability Statement

Reference number	XRB 2026/61
Subject	**Regulatory Standards Act assessment to support Consistency Accountability Statement**
Related to	***Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to NZ IAS 28)***
Date of technical board discussion of this assessment	6 August 2026
Approval date	17 August 2026

Purpose

1. Section 3(1) of the Regulatory Standards Act 2025 (**RS Act**), insofar as it relates to secondary legislation states that the purposes of the RS Act are to:

   (a) promote the accountability of the Executive to Parliament for the development of high-quality legislation

   (b) support Parliament in overseeing and controlling the use of delegated powers to make legislation.

2. One way the RS Act does so is:

   (a) to list principles of responsible regulation (**the principles**)

   (b) to provide for agencies responsible for making secondary legislation to publish:

      i. a Consistency Accountability Statement (**CAS**) confirming that the agency has reviewed the legislation and the process for developing it for consistency with the principles and summarising any identified inconsistency

      ii. a statement that briefly explains the reasons for any inconsistency.

3. This RS Act assessment documents the analysis and processes that underpin the CAS for *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to NZ IAS 28)* (XRB 2026/61).

Summary of this RS Act Assessment

4. The Chief Executive, the responsible Director and the Director's staff have assessed XRB 2026/61 and the process for developing it for consistency with the principles.

5. We have not identified any inconsistencies with the principles.

The scope of XRB's statutory powers

6. The XRB makes the following secondary legislation under sections 12 and 20 of the Financial Reporting Act 2013 (**FR Act**):

   (a) Financial reporting standards and authoritative notices that govern the content of general purpose financial statements.

(b) Climate standards and authoritative notices that govern the content of climate statements prepared under Part 7A of the Financial Markets Conduct Act 2013 (**the FMC Act**).

(c) Auditing and assurance standards, related service standards and professional and ethical standards that contribute to the system for regulating assurance practitioners.

The context for this RS Act Assessment

7. Many enactments require for-profit entities to prepare and publish financial statements in accordance with generally accepted accounting practice (**GAAP**). Section 8 of the Financial Reporting Act 2013 (**FR Act**) states that financial statements comply with GAAP only if they comply with:

    (a) applicable financial reporting standards

    (b) in relation to matters for which no provision is made in applicable financial reporting standards, an authoritative notice.

8. The objective of general purpose financial reporting by for-profit entities is to provide financial information about the entity that is useful to existing and potential investors, lenders and other creditors in making decisions relating to providing resources to the entity.

9. XRB 2026/61 is not stand-alone regulation. It adds to the suite of financial reporting standards that apply to Tier 1 and Tier 2 for-profit entities. The purpose of XRB 2026/61 is to improve the overall quality of the suite of financial reporting standards that apply to this class of reporting entity. Therefore, this assessment, particularly the analysis of costs and benefits, relates to the incremental impact of XRB 2026/61. We have not assessed the broader impacts of the standard XRB 2026/61 amends.

Applying the principles of responsible regulation

10. This RS Act Assessment documents our processes and analysis in accordance with the principles. We have evaluated XRB 2026/61 against all principles.

11. We have, in preparing this RS Act Assessment, considered the statutory guidance jointly issued in May 2026 by the Attorney-General and Minister for Regulation under section 26 of the RS Act.

S9(a)(i): The legislation should be clear and accessible

The principle

12. We have not identified any inconsistencies in XRB 2026/61 with this principle. Section 9(a)(i) states that "the law should be clear and accessible".

Accessibility

13. The XRB 2026/61 and the International Accounting Standards Board's (IASB) Basis for Conclusions will be published on the accounting standards page on the XRB's website on the date that it is gazetted.

14. All extant XRB standards are searchable using the XRB Standards Navigator.

Clarity

15. XRB 2026/61 is a New Zealand equivalent of *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)* which was issued by the

IASB. There are significant differences between the structure and drafting style used by the IASB and Parliamentary Counsel Office's recommended practice.

16. We have used the same structure and wording in XRB 2026/61 as used in the IASB's standard because it preserves global reporting consistency and comparability, avoids the risks of contradictions with other parts of the standard and other standards, reduces the risk of contractual disputes and reduces compliance costs. It also avoids the risks of other unintended consequences were the XRB to issue a unique New Zealand version of this standard.

17. XRB 2026/61 cross-refers to the definition(s) including in other NZ IFRS Accounting Standards. We consider that the definition(s) cross-referred to are clear to the intended audience of Tier 1 and Tier 2 for-profit entities who are already familiar with and apply NZ IFRS Accounting Standards.

S9(a)(ii): The legislation should not adversely affect rights and liberties, or impose obligations, retrospectively

18. We have not identified any inconsistencies in XRB 2026/61 with this principle. Consistent with the prohibition on retrospectivity in section 28(2)(b) of the Financial Reporting Act 2013, XRB 2026/61 does not have retrospective effect.

S9(a)(iii): Every person is equal before the law

19. We have not identified any inconsistencies in XRB 2026/61 with this principle. The XRB does not have the statutory power to unequally administer the law.

S9(a)(iv): There should be an independent, impartial judiciary

20. We have not identified any inconsistencies in XRB 2026/61 with this principle. The XRB does not have the statutory power to compromise the independence or impartiality of the judiciary.

S9(a)(v): Issues of legal right and liability should be resolved by the application of the law, rather than the exercise of administrative discretion

21. We have not identified any inconsistencies in XRB 2026/61 with this principle. The XRB issues standards as secondary legislation. These standards do not provide for the resolution of legal rights and liability in a manner that is contrary to the rule of law.

S9(b): Legislation should not unduly diminish a person's liberty, personal security, freedom of choice or action, or rights to own, use and dispose of property without the consent of the owner except as is necessary to provide for, or protect, any such liberty, freedom, or right of another person

22. We have not identified any inconsistencies in XRB 2026/61 with this principle. The XRB's role is to issue secondary legislation relating to external reporting and assurance. We consequently do not consider this amendment has the effect of unduly diminishing any of the rights or liberties referred to in this principle.

S9(c): Taking or severely impairing property without the owner's consent

23. We have not identified any inconsistencies in XRB 2026/61 with this principle. The XRB does not have the statutory power to take or severely impair private property.

S9(d)-(f): Taxes, fees and levies

24. We have not identified any inconsistencies in XRB 2026/61 with this principle. The XRB does not have the statutory power to impose or authorise the imposition of a tax, fee or levy.

S9(g): Legislation should preserve the courts' constitutional role of ascertaining the meaning of legislation

25. We have not identified any inconsistencies in XRB 2026/61 with this principle. The XRB does not have the statutory power to make an authoritative determination of the meaning of a standard or interfere with the judicial process in particular cases before the courts.

S9(h): Legislation should make rights and liberties, or obligations, dependent on administrative power only if the power is sufficiently defined and subject to appropriate review

26. We have not identified any inconsistencies in XRB 2026/61 with this principle. The XRB does not have the statutory power to make rights, liberties and obligations dependent on administrative power or limit judicial review.

S9(i): Consultation

The principle

27. We have not identified any inconsistencies in XRB 2026/61 with this principle. Section 9(i) refers to "the importance of consulting, to the extent that is reasonably practicable, the persons or representatives of the persons that the responsible agency considers will be directly and materially affected by the legislation".

Our consultation on XRB 2026/61

28. XRB 2026/61 will directly and materially affect:

    (a) Tier 1 and Tier 2 for-profit financial reporting entities;[1]

    (b) Users of Tier 1 and Tier 2 for-profit financial reporting entities; and

    (c) Practitioners who conduct audits of historical financial information of Tier 1 and Tier 2 for-profit financial reporting entities.

29. We took the following steps to consult:

    (a) The XRB published all relevant IASB Exposure Drafts of the standard on our website when these were issued and notified New Zealand stakeholders of these proposals.

    (b) The NZASB submitted a comment letter on these proposals, which was informed through feedback gathered from New Zealand stakeholders and the Accounting Technical Reference Group (TRG).

S9(j): Evaluation

The principle

30. We have not identified any inconsistencies in XRB 2026/61 with this principle. Section 9(j) refers to the importance of carefully evaluating:

    i. the issue concerned

    ii. the effectiveness of any relevant existing legislation and common law

[1] This class of financial reporting entity is defined in Section B of XRB A1: Application of the Accounting Standards Framework.

iii. whether the public interest requires that the issue be addressed
iv. any options (including non-legislative options) that are reasonably available for addressing the issue
v. who is likely to benefit, and who is likely to suffer a detriment, from the legislation.

Section 9(j)(i) – The importance of carefully evaluating the issue concerned

31. The standard is the New Zealand equivalent of *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)*.

32. The narrow-scope amendments clarify which entities are eligible to measure investments in associates and joint ventures using the fair value option in NZ IAS 28 by linking these to entities that have main business activities of investing in assets as defined in NZ IFRS 18 *Presentation and Disclosure in Financial Statements*. This aims to reduce diversity in how the requirements for the fair value option in IAS 28 *Investments in Associates and Joint Ventures* are applied and the effects of that diversity on the classification of income and expenses in the statement of profit or loss in accordance with NZ IFRS 18.

33. For IFRS Accounting Standards, if New Zealand did not adopt the relevant standard or amendment, then affected for-profit Tier 1 entities would not be able to assert compliance with IFRS Accounting Standards. Maintaining compliance with all applicable IFRS Accounting Standards is important because it supports access to global capital markets by providing international investors with financial information that is consistent, comparable and credible.

34. The XRB therefore needs to adopt all standards and amendments issued by the international body, subject to New Zealand's due process, if New Zealand for-profit Tier 1 entities are to continue to assert IFRS compliance. This was an important consideration for Tier 1 entities as part of applying IFRS Accounting Standards in the Accounting Standards Framework.

Section 9(j)(ii) – The importance of carefully evaluating the effectiveness of existing law

35. No current legislation or common law is relevant to the issue.

Section 9(j)(iii) – The importance of carefully evaluating whether the public interest requires that the issue be addressed

36. It is in the public interest to issue XRB 2026/61 for the reasons stated above explaining why the XRB adopts international standards as a whole and the adverse consequences of departing from them in individual standards.

37. It is also in the public interest for XRB 2026/61 to apply from the same date as the equivalent international amending standard. The New Zealand standard would impose different substantive requirements to the international standard for a time if the application dates were different.

Section 9(j)(iv) – The importance of carefully evaluating any options that are reasonably available for addressing the issue

38. The XRB publishes non-legislative guidance, but usually to provide guidance about a standard, not as an alternative to issuing a standard. We publish guidance because it:

(a) provides practical support for applying standards

(b) helps reporting entities, assurance providers, users and regulators understand and implement complex principles

(c) promotes reporting or assurance consistency among entities and practitioners that choose to use it.

39. There are no reasonably available non-legislative options. It is essential for New Zealand reporting entities to prepare financial statements in accordance with all International Financial Reporting Standards to promote worldwide user understandability, cross-border comparability and facilitate reporting entities' access to capital.

Section 9(j)(v) – Distributional impacts

40. The purpose of XRB 2026/61 is to improve the overall quality of the standards that must be applied by Tier 1 and Tier 2 for-profit entities. Primary users benefit in the form of better decision-making and accountability information. Reporting entities benefit by obtaining increased access to capital. The costs of reporting are borne largely by reporting entities.

41. There are no fairness or equity issues.

S9(k): Implementation

The principle

42. We have not identified any inconsistencies in XRB 2026/61 with this principle. Section 9(k) identifies the importance of the responsible agency identifying and developing effective arrangements for implementing the legislation.

43. XRB 2026/61 is the New Zealand equivalent of *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to IAS 28)*.

44. We will build awareness and education about the new standard for New Zealand stakeholders through our communication channels and through our webinars. Given the narrow scope of these amendments, we do not anticipate committing significant time or resources to support implementation.

45. The XRB will continue to monitor any challenges and implementation issues and will respond proportionately through either referral to available international resources or to the IFRS Interpretations Committee if considered appropriate.

S9(l): Benefits exceed the costs

The principle

46. We have not identified any inconsistencies in XRB 2026/61 with this principle. This principle states that legislation should be expected to produce benefits that exceed the costs of the legislation to the public or persons.

47. Refer to Appendix A for the analysis of costs and benefits for XRB 2026/61.

S9(m) – Effectiveness, efficiency and proportionality

The principle

48. We have not identified any inconsistencies in XRB 2026/61 with this principle. This principle states that the legislation should be the most effective, efficient and proportionate response to the issue concerned that is available.

49. Our assessment is that issuing XRB 2026/61 is the most effective, efficient and proportionate response for the reasons stated above.

Attachments

- Appendix A – Benefits and Costs Assessment

Appendix A – Benefits and Costs Assessment

This Appendix records the XRB's assessment of whether the expected benefits of issuing or adopting a standard are likely to exceed the expected costs, consistent with the good law-making principle in section 9(l) of the Regulatory Standards Act 2025.

Links

Section A – XRB approach to evaluating benefits and costs

Section B – International benefit-cost considerations

Section C – Domestic benefit-cost considerations

Section D – Benefit-cost questions and feedback from respondents

Section E – Overall conclusion

Regulatory Standards Act 2025 – Benefit-cost assessment

Standard Title	**Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (Amendments to NZ IAS 28) ('the standard')**
Standard Reference	**XRB 2026/61**
Principal Standard / Amendment	**Amending Standard**
Significant impact/ Narrow-scope	**Narrow-scope**
Impacted entities	**Tier 1 and Tier 2 For-Profit Entities**

Section A – XRB approach to evaluating benefits and costs

The purpose of this appendix is to record the XRB's assessment of the major expected benefits and costs of issuing or adopting the standard. The assessment supports the good law-making principle that legislation should be expected to produce benefits that exceed the costs of the legislation to the public or to persons.

This assessment compares the expected future state if the standard is issued or adopted with the counterfactual position if the regulatory change does not proceed. It identifies the main affected parties, the expected benefits and costs, distributional impacts, uncertainty and the extent to which benefits and costs can be quantified or monetised.

The purpose of the XRB's standards is to promote trust and confidence, transparency and accountability through high-quality external reporting and assurance. We do this by establishing and maintaining robust frameworks and standards that are internationally credible and locally relevant. The development of New Zealand standards in line with the XRB's due process requirements, build on the due process, research, consultation and effects analysis undertaken by international standard-setting bodies, assessing whether the resulting requirements are appropriate for New Zealand. The XRB therefore considers both the factual position and the counterfactual position, including what would occur if the standard were not issued or adopted.

The analysis carried out by the relevant international standard setting board provides the starting point. Our domestic analysis then considers whether those benefits and costs are relevant, proportionate and sufficiently evidenced in the New Zealand context.

This assessment has been prepared with reference to the Ministry for Regulation's cost-benefit analysis resource. Consistent with that guidance, the XRB applies a proportionate approach and addresses the following matters:

- Identify all expected major benefits and costs
- Identify who is expected to benefit and who is expected to bear the costs
- Quantify and monetise benefits and costs in dollar terms to the extent feasible
- Identify and disclose any expected effects that cannot be monetised
- Disclose any risks or uncertainties, or any key assumptions affecting the analysis.
- Compare the factual and counterfactual positions, including the consequences of no regulatory change.

Section B – International benefit-cost considerations

The International Accounting Standards Board (IASB) sets IFRS Accounting Standards. The IASB has identified the following benefits and costs associated with its proposed global standard, on which the New Zealand standard is based. These matters are outlined in the IASB's Basis for Conclusions, global Effects Analysis and other supporting material.

For IFRS Accounting Standards, the counterfactual is that New Zealand does not adopt the relevant standard or amendment. In that case, affected for-profit Tier 1 entities would no longer be able to assert compliance with IFRS Accounting Standards, because IFRS compliance requires compliance with all applicable IFRS Accounting Standards, which would impact on Tier 1 entities ability to access global capital markets as investors need consistent and comparable information to make effective capital decisions.

The XRB therefore needs to adopt all standards and amendments issued by the international body, subject to New Zealand's due process, if New Zealand for-profit Tier 1 entities are to continue to assert IFRS compliance.

The other major expected benefits and costs are as follows.

Qualitative Assessment

Major expected benefits
• **Greater consistency and comparability (Users and Reporting Entities):** The standard clarifies that "similar entities" eligible for the fair value option include entities whose main business activity is investing in particular types of assets, aligning NZ IAS 28 with the specified main business activity concept in NZ IFRS 18. This should reduce diversity in practice and improve consistency across entities applying the standard. • **Improved implementation of NZ IFRS 18 (Users and Reporting Entities):** Without clarification, different interpretations of the fair value option could have led to inconsistent classification of investment results under NZ IFRS 18. The standard supports a more consistent presentation of operating versus investing results across reporting entities and provides clarity ahead of the NZ IFRS 18 effective date, reducing the need for entities and auditors to develop their own interpretations of eligibility for the fair value option. • **Better alignment with business models (Users and Reporting Entities):** Entities whose business model is fundamentally investment-focused may now more clearly

qualify for the fair value option. Measuring investments at fair value can provide information that better reflects how management monitors performance and how investors assess returns leading to more relevant and effective information for decision making.

Major expected costs

- **Transition and implementation costs (Users and Reporting Entities and Assurance Practitioners):** Eligible entities will need to assess whether they qualify under the amended requirements and whether to choose the fair value option on transition to NZ IFRS 18. This may require management analysis, documentation, auditor discussions, and updates to accounting policies which could add additional implementation costs.
- **Systems and valuation costs (Reporting Entities and Assurance Practitioners):** Entities electing the fair value option may incur ongoing costs associated with obtaining fair value measurements, particularly for investments in unlisted associates and joint ventures where observable market information is limited. This may lead to more ongoing costs than anticipated given the option is irrevocable and may create reporting obligations over the life of the investment, rather than just on the implementation of NZ IFRS 18.
- **Increased volatility in profit or loss (Users and Reporting Entities):** Where the fair value option is elected, gains and losses are recognised through profit or loss. This may introduce greater earnings volatility compared with the equity method and could make performance trends more difficult to interpret for some users.

<u>**Quantitative Assessment**</u>

The IASB has not provided a monetised assessment of the benefits and costs for this standard. The XRB has therefore considered the major expected qualitative benefits and costs, the parties affected, the counterfactual position and the practical constraints on quantification.

A quantified or monetised assessment is not feasible for this standard because the affected entities, systems, judgements and transition costs will vary materially by entity. The XRB has therefore relied on this qualitative assessment, while identifying the affected parties, the main categories of cost and benefit, the likely timing of impacts and the key uncertainties.

This is in line with the Ministry for Regulation guidelines.

Section C – Domestic benefit-cost considerations

In addition to the international considerations around benefits and costs made above, benefit and cost considerations in the New Zealand context have also been considered. The cost and benefits of using IFRS Accounting Standards have also been considered within the development of the Accounting Standards Framework as noted in paragraphs 2.39 – 2.43 of the New Zealand Equivalent to the IASB Conceptual Framework for Financial Reporting (2018 NZ Conceptual Framework).

This notes the NZASB seeks to consider costs and benefits in relation to financial reporting generally, and not just in relation to individual reporting entities. That does not mean that assessments of costs and benefits always justify the same reporting requirements for all entities. Differences may be appropriate because of different sizes of entities, different ways of raising capital (publicly or privately), different users' needs or other factors.

The major expected benefits and costs within the New Zealand context for the standard are as follows.

Qualitative Assessment

Major expected benefits
• **Improved access to international capital (Users and Reporting Entities):** IFRS Accounting Standards are used in more than 150 jurisdictions and are a recognised global reporting framework. This makes financial statements easier to read in global markets. Alignment with all IFRS requirements would provide investors with information that is consistent with IFRS reporting globally, reducing the need for international investors to make adjustments or use additional reconciliations. This could improve confidence in NZ financial reporting and potentially reduce information asymmetry for investors, analysts and credit rating agencies, and reduces information risk, improves transparency and decision-making, and may lower the cost of capital. • **Comparability and credibility (Users and Reporting Entities):** Alignment with IFRS Accounting Standards improves comparability across borders and strengthens the credibility of New Zealand reporting. Alignment with IFRS requirements signals that New Zealand reporting meets globally recognised expectations for transparency, discipline and investor protection. This would allow New Zealand entities to improve their application of the fair value option within NZ IAS 28. This will be on a more comparable basis with overseas peers, supporting investor analysis and benchmarking and better decision-making. • **Efficiency from using an established international framework (Reporting Entities and Assurance Practitioners):** Using IFRS Accounting Standards allows for New Zealand to build on the IASB's research, consultation and testing and allows New Zealand entities and assurance practitioners to benefit from international guidance and reporting around applying the fair value option within NZ IAS 28. This reduces the need to develop separate local requirements and gives New Zealand access to global expertise on complex reporting issues.
Major expected costs
• **Implementation and transition costs (Users and Reporting Entities and Assurance Practitioners):** Adopting or applying a new international standard creates implementation costs for preparers and assurance practitioners (where relevant) to understand the requirements, update accounting policies, amend systems or templates, and train staff. The scale of that effort will vary by entity size, sector and complexity depending upon whether they elect to use the fair value option when adopting NZ IFRS 18. • **Ongoing application and comparability costs depending upon use of the option (Users and Reporting Entities):** The standard clarifies the scope of the fair value option with NZ IAS 28 and broadens the number of entities which can utilise this option. While consistency of eligibility improves, entities may make different elections (equity method versus fair value), which can reduce comparability of reported results between otherwise similar entities which may create costs for users to efficiently compare balances across entities. These costs differ across sectors and entities depending on the nature of their transactions and investments. • **Local relevance and proportionality (Reporting Entities):** IFRS Accounting Standards are developed for use across a wide range of jurisdictions and entity types. In some cases, the requirements in the standard may be more extensive than is necessary for some New Zealand regulated entities or may require additional explanation to support consistent application. An important part of the analysis is whether the international requirements are relevant and proportionate in New Zealand, having regard to the costs and complexity.

Quantitative Assessment

Consistent with the Ministry for Regulation guidelines, we do not consider a quantitative assessment of benefits and costs (including compliance cost estimates, one-off and ongoing cost estimates and sensitivity analysis) to be feasible for this standard. We have relied upon the comprehensive qualitative assessment performed above to support our conclusion.

Section D – Benefit-cost questions and feedback from respondents

As part of our consultation with New Zealand stakeholders and the Accounting Technical Reference Group (TRG) we asked questions on the benefits and costs of the standard.

- Feedback noted that there was diversity in New Zealand around how the scope of investments to which the fair value option in NZ IAS 28 applies is interpreted in practice, particularly around what characteristics were needed for investing entities and funds to be assessed as "similar entities". Feedback indicated there were benefits in this being clarified, given the new definitions included in NZ IFRS 18 *Presentation and Disclosure in Financial Statements*.
- The implementation and application of NZ IFRS 18 may lead to further diversity around the use of the fair value option, due to required presentation changes in the statement of profit or loss, and transitional provisions with NZ IFRS 18 that permits an entity to elect the fair value option on initial application of the standard. Feedback indicated there were benefits in ensuring any amendments were effective at the same time as NZ IFRS 18 to aid in relevant entity's transition.

We have not received any feedback on the costs of the standard from New Zealand stakeholders. We note these proposals do not impact entities that are already applying the fair value option but are intended to broaden the scope of entities who can apply this fair value option, to aid in their implementation of NZ IFRS 18. The amendments are also effective at the same effective date of NZ IFRS 18, which is 1 January 2027, which will help reduce transition and implementation costs of NZ IFRS 18. The costs of implementing the amending standard are minimal due to the amendments being clarifications to existing requirements only.

We consider the feedback received on the proposed standard to be reflective of the final requirements in the standard and the feedback is appropriate and proportionate to ensure that the benefits of the standard are realised and the costs imposed are justified, noting the costs and benefits are borne by different parties.

We consider the benefits of the amending standard are expected to outweigh its costs, primarily because the standard improves the application of current requirements within NZ IAS 28 and allows for more effective reporting of investments in associates and joint ventures when transitioning to NZ IFRS 18 by entities that primarily invest in assets as a primary business activity.

Section E – Overall conclusion

We consider the benefits of the standard to outweigh the costs, and our considerations and conclusions are consistent with the requirements of the Regulatory Standards Act 2025.

Consistent with the Ministry for Regulation guidelines, the XRB applies a proportionate approach to evaluating the benefits and costs of the standard. Major expected benefits are ongoing and relate to improved decision-useful information being reported to New Zealand users and stakeholders while major expected costs are implementation and on-going costs to comply with requirements, borne primarily by reporting entities.

These expected benefits and costs are in line with expectations, given the role of financial reporting standards to support minimum requirements for general-purpose reporting by entities to users and stakeholders for decision-making purposes.

This analysis and conclusion support the statement in the CAS that there are no inconsistencies in developing this standard with the principles of good law making.
