

OVERALL CONSIDERATIONS

<p>Fair Presentation and Compliance with IFRS® Accounting Standards</p> <p>Financial statements are required to be presented fairly as set out in the NZ framework and in accordance with NZ IFRS and shall comply with all requirements of NZ IFRSs.</p>	<p>Going Concern</p> <p>Financial statements are required to be prepared on a going concern basis (unless entity is in liquidation or has ceased trading or there is an indication that the entity is not a going concern).</p>	<p>Accrual Basis of Accounting</p> <p>Entities are required to use accrual basis of accounting except for cash flow information.</p>	<p>Presentation Consistency</p> <p>An entity is required to retain presentation and classification from one period to the next.</p>	<p>Materiality and Aggregation</p> <p>Each material class of similar assets and items of dissimilar nature or function is to be presented separately.</p>	<p>Offsetting</p> <p>Offsetting of assets and liabilities or income and expenses is not permitted, unless required by other NZ IFRSs.</p>	<p>Comparative Information</p> <p>At least 1 year of comparative information (unless impractical).</p>
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COMPONENTS OF FINANCIAL STATEMENTS

A complete set of financial statements comprises:

- Statement of Financial Position;
- Statement of Profit or Loss and Other Comprehensive Income;
- Statement of Changes in Equity;
- Statement of Cash Flows; and
- Notes to the financial statements.

All statements are required to be presented with equal prominence.

STRUCTURE AND CONTENT

STATEMENT OF FINANCIAL POSITION

- Present current and non-current items separately; OR
- Present items in order of liquidity (will require notes).

Current Assets

- Expected to be realised in, or is intended for sale or consumption in the entity's normal operating cycle.
- Held primarily to for trading.
- Expected to be realised within 12 months.
- Cash or cash equivalent.

All other assets are required to be classified as non-current.

Current Liabilities

- Expected to be settled in the entity's normal operating cycle.
- Held primarily for trading.
- Due to be settled within 12 months.
- The entity does not have the right at the end of the reporting period to defer settlement for at least 12 months. (R)

All other liabilities are required to be classified as non-current

- Information required to be presented on the face of the statement of financial position is detailed in NZ IAS 1.54.
- Further information required to be presented on the face or in the notes is detailed in NZ IAS 1.79 - 80

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

- An entity presents all items of income and expense recognised in a period:
 - In a single Statement of Profit or Loss and Other Comprehensive Income, OR
 - In two statements: a statement displaying components of profit or loss (separate Profit or Loss Statement) and a second Statement of other Comprehensive Income.
- Information required to be presented in the
 - Statement of Comprehensive Income is defined in NZ IAS 1.82 - 87.
 - Profit or loss as defined in NZ IAS 1.88.
 - Other comprehensive income per NZ IAS 1.90-96.
- Further information required to be presented on the face or in the notes to the Statement of Comprehensive Income is detailed in NZ IAS 1.97.
- Entities must choose between "function of expense method" and "nature of expense method" to present expense items.
- Line items within other comprehensive income to be categorised:
 - Those that could subsequently be reclassified to profit or loss; and
 - Those that will not be re-classified to profit or loss.

STATEMENT OF CHANGES IN EQUITY

Information required to be presented:

- Total comprehensive income for the period, showing separately attributable to owners or the parent and non-controlling interest.
- For each component of equity, the effects of retrospective application/restatement recognised in accordance with NZ IAS 8 - *Accounting Policies, Changes in Accounting Estimates and Errors*.
- The amounts of transactions with owners in their capacity as owners, showing separately contributions by and distributions to owners.
- For each component in equity a reconciliation between the carrying amount at the beginning and end of the period, separately disclosing each change.
- Amount of dividends recognised as distributions to owners during the period (can alternatively be disclosed in the notes).
- Analysis of each item of OCI (can alternatively be disclosed in the notes).

STATEMENT OF CASH FLOWS

- Provides users of financial statements with cash flow information - refer NZ IAS 7 - *Statement of Cash Flows*.

(R) AMENDMENTS AND STANDARDS ISSUED BUT NOT YET EFFECTIVE

This NZ IFRS Standard includes amendments that were issued but were not yet mandatorily effective. These are identified with an '(R)' suffix. For a summary of these amendments and standards, please refer to BDO's [JFR Bulletin 2020/1](#) and [JFR Bulletin 2022/07](#)

IDENTIFICATION OF THE FINANCIAL STATEMENTS

Financial Statements must be clearly identified and distinguished from other information in the same published document, and must identify:

- Name of the reporting entity;
- Whether the financial statements cover the individual entity or a Group of entities;
- The statement of financial position date (or the period covered).
- The presentation currency
- The level of rounding used

NOTES TO THE FINANCIAL STATEMENTS

- Statement of compliance with NZ IFRS (N/A for RDR reporters).
- Statement of compliance with IFRS[®] Accounting Standards (if applicable).
- Material accounting policies and significant estimates, assumptions, and judgements must be disclosed.
- Additional information useful to users understanding/ decision making to be presented.
- Information that enables users to evaluate the entity's objectives, policies and processes for managing capital.

REPORTING PERIOD

- Accounts presented at least annually.
- If longer or shorter, entity must disclose that fact.

THIRD STATEMENT OF FINANCIAL POSITION (Tier 1 entities only)

A third statement of financial position required when an entity changes accounting policies, or makes retrospective restatements or reclassifications:

- Opening statement is only required if impact is material
- Opening statement is presented at the beginning of the immediately preceding comparative period required by NZ IAS 1 (e.g. if an entity has a reporting date of 31 December 20X2, then the third statement of financial position would be as at 1 January 20X1).
- Only include notes for the third period relating to the change.

TIER 2 NZ IFRS RDR REPORTERS

NZ IAS 1 includes RDR disclosure concessions and associated RDR paragraphs.