

4 August 2017

Mr Mark Zyla  
Chair  
The IVSC Standards Review Board  
1 King Street  
London EC2V 8AU  
UNITED KINGDOM

Submitted to: [aronsohn@ivsc.org](mailto:aronsohn@ivsc.org)

Dear Mr Zyla

**IVSC Invitation to Comment: IVS Agenda Consultation 2017**

The New Zealand Accounting Standards Board (NZASB) is pleased to submit its comments on the IVSC Standards Review Board's IVS Agenda Consultation 2017 (Agenda Consultation). We appreciate the opportunity to comment on the future work of the IVSC Standards Review Board.

The NZASB is a sub-board of the External Reporting Board, an independent Crown Entity responsible for financial reporting strategy and the development and issue of accounting and auditing and assurance standards in New Zealand. The NZASB has delegated authority from the External Reporting Board to develop (or adopt) and issue accounting standards for general purpose financial reporting in New Zealand.

We note that international valuation standards are developed to be applied in different circumstances and for different purposes. Our interest lies in the application of international valuation standards for general purpose financial reporting purposes.

In New Zealand, the accounting standards for for-profit entities are based on International Financial Reporting Standards (IFRS® Standards) issued by the International Accounting Standards Board (IASB) and the accounting standards for public benefit entities are based on International Public Sector Accounting Standards (IPSASs) issued by the International Public Sector Accounting Standards Board (IPSASB). Both IFRS Standards and IPSASs contain requirements for various classes or types of assets and liabilities to be valued for financial reporting purposes. The use of international valuation standards for financial reporting purposes is therefore an important use of the international

valuation standards and can contribute significantly to the quality of general purpose financial reports.

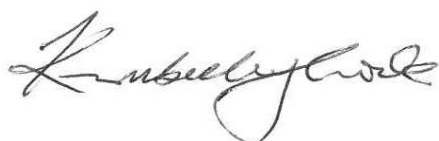
In this regard, we consider it is important that international valuation standards are relevant and work with the requirements in accounting standards. We strongly encourage the IVSC Standards Review Board, in developing its agenda, to consult and work closely with the IASB and the IPSASB. Working with those Boards will help to identify topics or areas where valuation standards are required or where existing standards could be improved to work with the requirements in accounting standards. We have provided examples of topics or areas of interest below.

The IASB has recently published a Request for Information (RFI) as part of its Post-implementation Review (PIR) of IFRS 13 *Fair Value Measurement*. The RFI aims to explore whether there is a need for further guidance on measuring the fair value of biological assets. The Agenda Consultation has identified biological assets as one of the major valuation topics. One of New Zealand's major industries is agriculture and we are aware there are often challenges in valuing biological assets for financial reporting purposes. Some of those challenges are identified as perceived issues in the Agenda Consultation. There could be some overlap between the IASB's project and the IVSC Standards Review Board's potential project on biological assets and benefits from working together.

The IPSASB has several current projects (for example, heritage, public sector measurement and public sector infrastructure) which will be considering some of the issues identified in the Agenda Consultation. We recommend the IVSC Standards Review Board considers moving its project on specialised public service assets to its current agenda and working closely with the IPSASB. Again, there could be some overlap between those projects and benefits from both boards working together on their respective projects.

If you have any questions or require clarification of any matters in this comment letter, please contact Aimy Luu Huynh ([aimy.luuhuynh@xrb.govt.nz](mailto:aimy.luuhuynh@xrb.govt.nz)) or me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kimberley Crook', written in a cursive style.

**Kimberley Crook**  
**Chair – New Zealand Accounting Standards Board**