



# Financial Reporting Amendment Regulations 2016

Jerry Mateparae, Governor-General

## Order in Council

At Wellington this 30th day of May 2016

Present:

His Excellency the Governor-General in Council

These regulations are made under section 50 of the Financial Reporting Act 2013 on the advice and with the consent of the Executive Council.

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## Regulations

- 1 Title**  
These regulations are the Financial Reporting Amendment Regulations 2016.
- 2 Commencement**  
These regulations come into force on 30 June 2016.

### 3 Principal regulations

These regulations amend the Financial Reporting Regulations 2015 (the **principal regulations**).

### 4 New regulation 10 inserted (Financial Reporting Act 1993 ceases to apply to certain accounting periods)

After regulation 9, insert:

#### 10 Financial Reporting Act 1993 ceases to apply to certain accounting periods

- (1) For the purposes of section 55(3) of the Act, section 55(2) of the Act ceases to apply to accounting periods that commence on or after the date that is prescribed or determined under subclause (2) or (4).
- (2) If the person to which section 55 of the Act applies is an issuer of any securities to which Part 2 of Schedule 4 of the Financial Markets Conduct Act 2013 (the **FMCA**) applies, the date is—
  - (a) the first day of the accounting period in which the effective date for those securities occurs; or
  - (b) if there is more than 1 effective date for those securities, the first day of the accounting period in which the earliest effective date occurs; or
  - (c) if the accounting period under paragraph (a) or (b) ended before the commencement of this regulation, the first day of the accounting period in which this regulation commences.

#### Example

ABC Limited has accounting periods that start on 1 July and end on 30 June.

ABC Limited's shares are securities to which Part 2 of Schedule 4 of the FMCA applies.

ABC Limited elects to move the shares over to the requirements of the FMCA on 1 October 2016 (that is, the effective date of those shares is 1 October 2016). See clause 19 of Schedule 4 of the FMCA.

The effective date occurs in the 1 July 2016 to 30 June 2017 accounting period. Therefore the date that applies under subclause (2) is 1 July 2016. The Financial Reporting Act 1993 ceases to apply to the accounting period that starts on that date (and subsequent periods).

- (3) In subclause (2),—
  - (a) **effective date** has the same meaning as in clause 16(1) of Schedule 4 of the FMCA;
  - (b) references to accounting periods are references to accounting periods of the issuer.
- (4) In the case of any other person to which section 55 of the Act applies, the date is 1 December 2016.

Michael Webster,  
Clerk of the Executive Council.

### Explanatory note

*This note is not part of the regulations, but is intended to indicate their general effect.*

These regulations, which come into force on 30 June 2016, amend the Financial Reporting Regulations 2015.

Under section 55 of the Financial Reporting Act 2013, financial reporting obligations are continued under the Financial Reporting Act 1993 (the **former Act**) on a transitional basis. Financial reporting for an entity is not required under the former Act if the entity is preparing financial statements under the Financial Markets Conduct Act 2013 (the **FMCA**). In other cases, the transitional requirements cease to apply to accounting periods that commence on or after a date that is prescribed by, or determined in accordance with, the regulations. These regulations provide for that date and have the following effect:

- if an entity is an issuer of securities that will transition to the FMCA, the transitional financial reporting requirements cease to apply to the accounting period in which the securities transition to that Act and to subsequent periods (*see* Part 2 of Schedule 4 of the FMCA):
- in any other case, the transitional financial reporting requirements cease to apply to accounting periods that commence on or after 1 December 2016 (which is the end of the main transitional period under the FMCA).

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*: 2 June 2016.

These regulations are administered by the Ministry of Business, Innovation, and Employment.