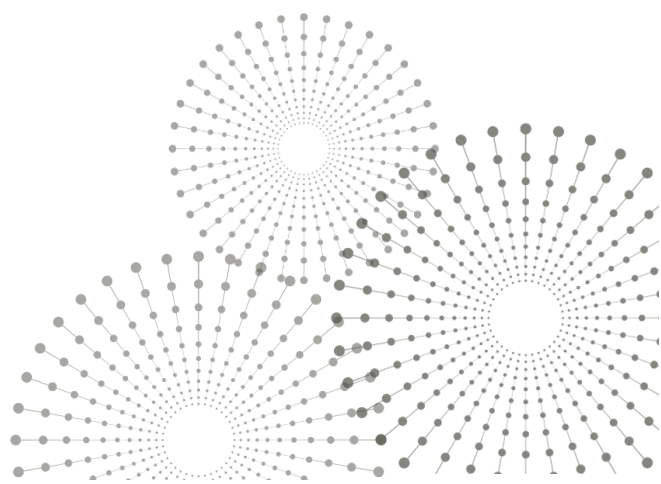


# 2024/25 Half year report

For the period  
1 July 2024 to 31 December 2024

February 2025

To the Minister of Commerce  
and Consumer Affairs



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## 1. Purpose of this report

This document is the half-year report of the External Reporting Board (XRB) for the 2024/25 financial year prepared for its responsible Minister, the Minister of Commerce and Consumer Affairs.

The report outlines the XRB's performance for the half-year ended 31 December 2024 and reports against the performance specified in the XRB's 2024/25 Statement of Performance Expectations<sup>1</sup>.

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<sup>1</sup> The Statement of Performance Expectation is available at [Accountability » XRB](#)

## 2. Overview of the External Reporting Board

### Purpose

We are an Independent Crown Entity responsible for developing and issuing financial reporting, auditing and assurance, and climate standards and supporting guidance for for-profit, not-for-profit and public sector reporting entities in New Zealand.

### Vision

New Zealand prospers through effective decision making for resource allocation informed by high-quality, trusted, and integrated reporting.

### What we deliver

- Financial reporting standards
- Audit and Assurance standards
- Climate standards
- Guidance and implementation support
- International liaison

### Strategic intent

#### Trusted

High-quality reporting and assurance standards that uphold trust and confidence in New Zealand's reporting and promotes transparency, stewardship and accountability across all sectors.



#### Informative

Reporting that generates relevant information to support informed decision making and better outcomes for New Zealand.



#### Integrated

Reporting that encompasses both financial and non-financial information spanning the natural, human, social, and financial capitals that support intergenerational wellbeing.



### How we deliver



**Lead** to ensure stakeholders understand the purpose and value of reporting standards and are informed of international developments.



**Influence** to promote improved reporting processes and ensure high-quality global standards that are both applicable in New Zealand and in the public interest.



**Engage** with stakeholders to understand how standards can best meet the needs of reporting entities and those who use reporting information.

### 3. Key highlights 1 July - 31 December 2024

#### Overview

We carried out a range of work across all areas of our mandate during the period.

As detailed below, it was a busy period for our core work of consulting on exposure drafts, issuing and gazetting standards, and making submissions to international bodies.

We also issued amendments to standards following feedback from stakeholders. These included amendments to the [Adoption of Aotearoa New Zealand Climate Standards](#) (NZ CS 2) to provide more time for preparers to report on their scope 3 greenhouse gas emissions and anticipated financial impacts disclosures, and to give a further year before the assurance over scope 3 GHG emissions is required.

Domestically, we continued our focus on engaging with a range of stakeholders to inform our work. We presented at external events and held webinars across a wide range of topics. We also hosted speakers from domestic, Australian and international partner organisations.

Internationally, we continued our focus on influencing the development of international standards that are relevant and fit for purpose for New Zealand. To support this, we participated in key events and secured additional opportunities for New Zealand's voice to be heard.

This included being jointly appointed to the [IASB's Accounting Standards Advisory Forum \(ASAF\)](#) for 2025-2027, along with the [Australian Accounting Standards Board \(AASB\)](#). This achievement is an opportunity for New Zealand perspectives to shape the future of international accounting standards and deepens our Trans-Tasman relationship with the AASB.

In December 2024 the Board farewelled April Mackenzie (left 7 January 2025), after a five-year term as Chief Executive. Wendy Venter started as Chief Executive on 15 January 2025.

#### Financial reporting standards

- During this period, we issued and consulted on eight exposure drafts and made six submissions to international bodies. We also gazetted three amending standards.
- With changes to the recently changed Incorporated Societies Act, many incorporated societies will be required to report using our reporting standards. We hosted stakeholder events to support incorporated societies to transition to the new reporting standards.
- Linda Mezon-Hutter, chair of the [International Accounting Standards Board \(IASB\)](#) vice chair visited us in November. We took this opportunity to have a deep dive into one of our recently published standards, [IFRS 18 Presentation and Disclosure of Financial Statements](#).
- We presented at external stakeholder events and held webinars to provide updates on our accounting standards and emerging financial reporting issues.

#### Sustainability reporting (including climate reporting) standards

- The [Sustainability Reporting Board \(SRB\)](#) was established and held three meetings between August and December.

- As noted above we issued amendments to *Adoption of Aotearoa New Zealand Climate Standards (NZ CS 2)*.
- We began a trial with 11 Māori reporting entities of the draft [He Tauiira framework](#) and issued a version for public release in December.
- We presented at numerous external events, providing information about climate-related disclosures, Ngā pou o te kawa ora, and integrated reporting.

#### **Audit and assurance (including ethical and professional) standards**

- In November we issued a consultation document and exposure draft to explore whether and how New Zealand might adopt the [International Standard on Auditing for Audits of Financial Statements of Less Complex Entities](#) (ISA for LCEs). The standard addresses concerns that auditing standards are too long and complex for audits of less complex entities.
- In October we issued a consultation document and exposure draft on [Amendments to Assurance Engagements over Greenhouse Gas Emissions Disclosures 2024](#). This was finalised in November and gives the option to defer the assurance over scope 3 GHG emissions disclosures for one year.
- We held webinars, drop-in sessions and met with several stakeholders to inform the development of and support adoption of new standards.

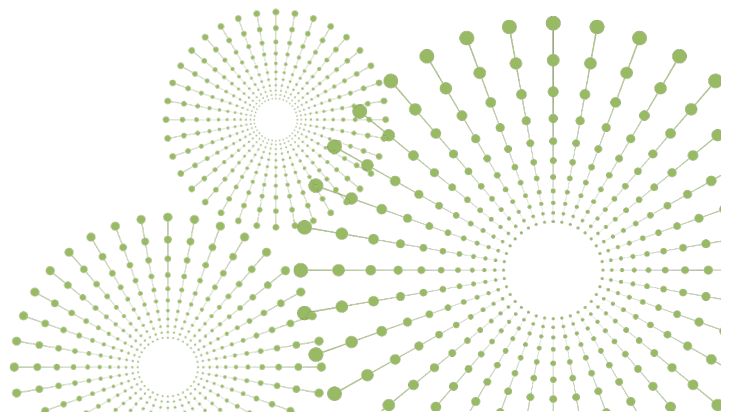
#### **International influence and liaison**

- One of our key highlights during this period was that XRB, together with the [Australian Accounting Standards Board \(AASB\)](#), was jointly appointed to the [IASB's Accounting Standards Advisory Forum \(ASAF\)](#) for 2025-2027. ASAF is a technical advisory body with the objective of contributing to and assisting the IASB in the global accounting standards-setting process. As one of only 14 members, this is an opportunity to share New Zealand's perspectives and insights to help shape the future of international accounting standards, as well as deepening our Trans-Tasman relationships with the AASB.
- We hosted several international visitors, including:
  - Linda Mezon-Hutter (Vice-Chair of the [International Accounting Standards Board](#));
  - Sue Lloyd (Vice-Chair of the [International Sustainability Standards Board](#)); and
  - Mark Gough (Chief Executive of the [Capitals Coalition](#)).

These visits comprised several virtual and in-person sessions with stakeholders.
- We provided technical advice and support to New Zealand members of international boards, including:
  - Angela Ryan, of the [International Public Sector Accounting Standards Board \(IPSASB\)](#).
  - Greg Schollum, of the [International Auditing and Assurance Standards Board \(IAASB\)](#), who also participated in the going concern and fraud task forces.
- We maintained our membership of the AASB and the [Australian Auditing and Assurance Standards Board \(AUASB\)](#) to maintain harmonisation and cooperation on projects of mutual interest.
- We spoke at several international events, sharing our experience and insights, including the Investor Group on Climate Change 2024 summit, the "Belt & Road" National Accounting Standards Co-operation Forum, Accounting and Finance Association of Australia and New

Zealand, and a United Nations Framework Convention on Climate Change workshop on the role of the international financial system, focusing on the avoidance of greenwashing and maladaptation.

- We were appointed to [the Asian- Oceanian Standard Setters Group \(AOSSG\)](#) Chair's Advisory Committee and lead the working group for business groups and assets.





## 4. Statement of performance

### For the period ended 31 December 2024

The following section reports on the services we delivered in the six months ended 31 December 2024, how we delivered those and what we expect to deliver in the remainder of this financial year. Our full year performance information against our Statement of Performance Expectations will be reported in our Annual Report 2024/25.

#### Funding of services

The XRB is funded by an appropriation under Vote: Business, Science and Innovation administered by the Ministry of Business Innovation and Employment (MBIE). The single overarching purpose of this appropriation is to support high-quality external reporting through the activities of the XRB.

#### Scope of appropriation

The appropriation is limited to the development and issuing of accounting standards, climate standards, auditing and assurance standards, non-financial reporting guidance, and associated documents.

#### What is Intended to be achieved with this appropriation

This appropriation is intended to achieve the development and issuing of financial reporting, auditing and assurance, and climate standards and supporting guidance for, for-profit, not-for profit and public sector reporting entities in New Zealand. The focus is to engender trust and confidence in New Zealand financial and non-financial reporting and enable entities to better communicate their performance story and enhance entities' transparency, accountability and stewardship to stakeholders.

	Actual six months to 31 December 2024	FY 2024/25 forecast per SPE
Revenue from the Crown (\$000)	4,159	8,319
Revenue from others (\$000)	74	232
Cost (\$000)	(4,220)	(9,385)
Operating surplus/(deficit)	13	(834)

The XRB closely monitors financial performance. It is forecast that costs will be lower than the budget for the entire year. The explanations for the significant variances for the six months to 31 December 2024 are provided in note 6 of the Condensed Interim Financial Statements refer.

The XRB does not have any reportable class of outputs for which an exemption has been granted under section 149F of the Crown Entities Act 2004. The XRB does not intend to supply any class of outputs in the 2024/25 financial year that is not a reportable class of outputs.

## Statement of service performance

### Financial reporting standards

The Financial reporting standards area is about the work we do in setting standards and guidance including engaging with our stakeholders on financial reporting topics.

Providing entities across the For-Profit, Not-for-Profit, and Public sectors with independently developed, high-quality, internationally recognised financial reporting standards enables entities to communicate their financial performance, and be held accountable to a range of stakeholders. This ensures global comparability and competitiveness and allows users of financial reports to have trust and confidence in that reporting. Entity transparency is also enhanced through quality information which enables informed decision making about resource allocation, stewardship and accountability.

	<b>Actual six months to 31 December 2024</b>	<b>2024/25 Annual forecast per SPE</b>
	<b>\$000</b>	<b>\$000</b>
Crown revenue allocated	1,109	2,218
Other revenue allocated	20	62
Direct costs	(827)	(1,735)
Attributed overhead costs	(399)	(767)
<b>(Deficit)/surplus</b>	<b>(97)</b>	<b>(222)</b>

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
<b>Issue the following IASB Exposure Drafts:</b>	<b>Timing</b>		
- Dynamic risk management (DRM)	June 2025	N/A	<b>On track</b>
- Equity method	December 2024	<b>Achieved</b>	N/A
- Provisions	December 2024	<b>Achieved</b>	N/A
- Use of a hyperinflationary presentation currency by a non-hyperinflationary entity	December 2024	<b>Achieved</b>	N/A
		<i>In addition to these IASB Exposure Drafts, we also issued the following:</i> <ul style="list-style-type: none"> <li>- Climate-related and other uncertainties in financial statements Exposure Draft in August 2024.</li> <li>- RDR Concessions: Amendments to the Classification and Measurement of Financial Instruments</li> </ul>	

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
	<b>Quality</b>  Stakeholders report a satisfaction rate of (at least) 75% with our consultation process and supporting information. Our consultation process considers the value of proposed standards and the implications of their benefits and costs.	N/A	We measure our stakeholder satisfaction annually and report the results in our annual report
<b>Issue the following IPSASB Exposure Drafts:</b>	<b>Timing</b>		
- Improvements	July 2024	<b>Achieved</b>	N/A
- Revenue (adapted)	March 2025	<b>Progressed</b>	<b>Delayed</b>  We anticipate this ED to be released prior to June 2025. Due to the complexities included in this ED, we are compiling education material to help stakeholders better understand its purpose and objectives. The educational material will be released alongside the ED.

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
- Transfer Expenses (adapted)	March 2025	<b>Progressed</b>	<b>Delayed</b>  We anticipate this ED to be released prior to June 2025. Due to the complexities included in this ED, we are compiling education material to help stakeholders better understand its purpose and objectives. The education material will be released alongside the ED.
		<p><i>In addition to these IPSASB Exposure Drafts, we also issued the following:</i></p> <ul style="list-style-type: none"> <li>- IPSASB ED 90 Amendments to IPSAS as a Result of the Application of IPSAS 46, Measurement (August 2024)</li> <li>- IPSASB ED 91 Limited-scope Updates to First-time Adoption of International Public Sector Accounting Standards (Amendments to IPSAS 33) (August 2024)</li> <li>- IPSASB ED 92 Tangible Natural Resources (October 2024)</li> </ul>	

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
	<b>Quality</b>  Stakeholders report a satisfaction rate of (at least) 75% with our consultation process and supporting information. Our consultation process considers the value of proposed standards and the implications of their benefits and costs.	N/A	We measure our stakeholder satisfaction annually and report the results in our annual report
<b>Issue the following:</b>	<b>Timing</b>		
- Amendments to the Classification and Measurement of Financial Instruments	June 2025	<b>Achieved</b>	N/A
- PBE Conceptual Framework	September 2024	<b>Achieved</b>  - Amends Chapter 3 Qualitative Characteristics and Chapter 5 Elements in General Purpose Financial Reports of the Public Benefit Entities' Conceptual Framework	N/A

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
		<p><i>We also issued the following:</i></p> <ul style="list-style-type: none"> <li>- 2024 Omnibus Amendments to the PBE Standards (October 2024) amends PBE IPSAS 1 <i>Presentation of Financial Reports</i> and PBE IAS 12 <i>Income Taxes</i>.</li> <li>- Annual Improvements to NZ IFRS 2024 (August 2024) amends NZ IFRS 1, NZ IFRS 7, NZ IFRS 9, NZ IFRS 10 and NZ IAS 7.</li> </ul>	
Support adoption and implementation through the development and delivery of guidance material on topical issues as they arise including:			
<ul style="list-style-type: none"> <li>- Guidance document on new primary financial statements standard</li> </ul>	<b>Timing</b>  June 2025	<b>Progressed</b>	<b>On track</b>
	<b>Quality</b>  Stakeholders report a satisfaction rate of (at least) 75% with financial reporting implementation documents.	N/A	We measure our stakeholder satisfaction annually and report the results in our annual report

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
<b>Support adoption and implementation through a range of in person and virtual engagements on key topics including:</b>			
<ul style="list-style-type: none"> <li>- Need to Know updates (2)</li> <li>- Walk – through webcasts (4)</li> <li>- Deep Dive seminars (1)</li> </ul>	<b>Timing</b>  June 2025	<b>Progressed</b>	<b>On track</b>
	<b>Quality</b>  Stakeholders report a satisfaction rate of (at least) 75% with XRB-hosted financial reporting engagements.	N/A	We measure our stakeholder satisfaction annually and report the results in our annual report



### Sustainability reporting (including climate reporting) standards

The Sustainability reporting area is about the work we do in setting internationally aligned, mandatory climate reporting standards, voluntary sustainability reporting guidance, and engaging with stakeholders on sustainability reporting. In using the term sustainability reporting, the XRB means to encompass non-financial reporting topics, including but not limited to, topics such as climate change, biodiversity, and human rights, also known in some areas as impact reporting.

Providing climate reporting entities with a climate-related disclosure framework enables high-quality, consistent, and transparent reporting on climate-related risks and opportunities. This in turn supports the allocation of capital towards activities that are consistent with a transition to a low-emissions, climate resilient future.

Providing and engaging with stakeholders on voluntary sustainability reporting guidance enables users to better understand the interaction between an entity's activities and internal and external sustainability outcomes.

	<b>Actual six months to 31 December 2024</b>	<b>2024/25 Annual forecast per SPE</b>
	<b>\$'000</b>	<b>\$,000</b>
Crown revenue allocated	983	2,276
Other revenue allocated	17	63
Direct costs	(676)	(1,781)
Attributed overhead costs	(354)	(787)
<b>(Deficit)/surplus</b>	<b>(30)</b>	<b>(229)</b>

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
<b>Publish a consultation paper on the XRB's sustainability reporting policy position, including forthcoming agenda priorities</b>	<b>Timing</b> By March 2025  <b>Quality</b> Consultation paper is informed by relevant international developments, government policy and stakeholder input.	<b>Delayed</b>  The priority work on the 2024 Climate and Assurance consultation (see below) meant that this was not progressed.	We anticipate progressing our work on differential climate reporting. The wider policy priorities for sustainability reporting may be included in this work if appropriate
<b>Support the implementation of Aotearoa New Zealand Climate Standards (NZ CS) by:</b>			
<ul style="list-style-type: none"> <li>- Taking a proactive and pragmatic approach to publishing new/revised guidance that responds to international developments and lessons learned through initial reporting</li> </ul>	<b>Timing</b> June 2025  <b>Quality</b> Stakeholder feedback considers XRB implementation guidance is useful and supports implementation of climate reporting, balancing the needs of the investors and users with the impact on business and whether the standards are cost effective	<b>Progressed</b>  We responded to lessons learnt through initial reporting by consulting on amendments to the Climate and Assurance standards. In response to stakeholder feedback, we issued two standards in November 2024, amending, respectively, NZ CS 2 and NZ SAE 1, to provide further time for particularly challenging disclosure requirements.	<b>On track</b>

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
- Conducting engagements in the form of webinars, events, and forums to promote awareness and support adoption (and address any emerging issues arising in practice)	<b>Quality</b>  Stakeholders report a satisfaction rate of (at least) 75% with XRB-hosted climate reporting engagements.	<b>Progressed</b>	We measure our stakeholder satisfaction annually and report the results in our annual report
- Publishing an implementation update on NZ CS (to inform subsequent postimplementation review)	<b>Timing</b>  By June 2025  <b>Quality</b>  Stakeholders report a satisfaction rate of (at least) 75% with climate reporting implementation documents.	<b>Progressed</b>  The priority work on the 2024 Climate and Assurance consultation meant that this was not progressed in 2024. We worked closely with the Financial Markets Authority on their monitoring report (published in December 2024).	<b>On track</b>
- Continuing to support a scenario analysis community of practice	<b>Timing</b>  Two sessions by June 2025  <b>Quality</b>  Stakeholder feedback shows attendees consider the community of practice to be positively benefiting their work.	<b>Delayed</b>  The priority work on the 2024 Climate and Assurance consultation meant that this was not progressed in 2024	We anticipate progressing our work on differential climate reporting. We intend to include this community of practice as a forum for this consultation, and if we have sufficient capacity, to also run one or more community of practice sessions, with the community of practice topic being led by market demand

<b>2024/25 Forecast per SPE</b>	<b>Measures: Timing, Quality</b>	<b>Achieved six months to 31 December 2024</b>	<b>Expected to be achieved for FY 2024/25</b>
<b>Issue an interim report on the trial of the non-financial reporting framework with Māori reporting entities</b>	<b>Timing</b>  June 2025	<b>Progressed</b>	<b>On track</b>
<b>Issue a comparison document, comparing Aotearoa New Zealand Climate Standards with Australian Sustainability Reporting Standard – Climate-related Financial Disclosures (ASRS S2)</b>	<b>Quality</b>  Stakeholders report a satisfaction rate of (at least) 75% with climate reporting implementation documents.	N/A	<b>On track</b>  We measure our stakeholder satisfaction annually and report the results in our annual report

### Auditing and assurance (including ethical and professional) standards

The Auditing and assurance area is about the work we do in setting auditing, assurance and other related services standards and guidance, including engaging with our stakeholders. References to auditing and assurance standards also includes professional and ethical standards.

The provision of internationally credible audit and assurance, and ethical standards supports high quality and consistent audit and assurance practice and ensures trust and confidence in reported information is enhanced through third party independent assurance.

	<b>Actual six months to 31 December 2024</b>	<b>2024/25 Annual forecast per SPE</b>
	<b>\$'000</b>	<b>\$,000</b>
Crown revenue allocated	1,138	1,967
Other revenue allocated	20	55
Direct costs	(842)	(1,539)
Attributed overhead costs	(409)	(680)
<b>(Deficit)/surplus</b>	<b>(93)</b>	<b>(197)</b>

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
<b>Issue the following domestic and international (IAASB and the International Ethics Standards Board for Accountants (IESBA)) consultation documents to support the development of auditing and assurance standards:</b>	<b>Timing</b>		
- IAASB's Narrow scope amendments to the auditing and assurance standards for use of experts	April 2025	<b>Progressed</b>	<b>On track</b>
- IESBA's exposure draft related to collective investment vehicles	June 2025	<b>Progressed</b>	<b>On track</b>
- IESBA's post implementation review of requirements related to non-compliance with laws and regulations	June 2025	<b>Delayed</b>  The IESBA's post implementation review has been delayed, and discussions at the international board are now expected to commence in the third quarter of 2025.	N/A
		<i>We also issued the following:</i>  A consultation document and exposure draft of Proposed Amendments to Climate and Assurance Standards (October 2024)	

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
		A consultation document and exposure draft of the International Standard on Auditing (New Zealand) for Less Complex Entities (November 2024).	
	<b>Quality</b>  Stakeholders report a satisfaction rate of (at least) 75% with our consultation process and supporting information. Our consultation process considers the value of proposed standards and the implications of their benefits and costs.	N/A	We measure our stakeholder satisfaction annually and will do this in time for annual reporting
<b>Issue the following domestic and international (IAASB and IESBA) Auditing and Assurance Standards:</b>	<b>Timing</b>		
- Review standard for service performance information	December 2024	<b>Delayed</b>  The standard was approved in December 2024 and was issued in January 2025.	N/A
- International Standard on Auditing (New Zealand) for Less Complex Entities	June 2025	<b>Progressed</b>	<b>On track</b>

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
- ISSA (NZ) 5000 General Requirements for Sustainability Assurance Engagements	June 2025	Progressed	On track
- Revised standard on going concern	June 2025	Progressed	On track
- Narrow scope revisions to the auditing and assurance standards for the revised public interest entity definition	June 2025	Delayed International standard approved in December 2024, subject to further consultation.	Expect to issue a revised standard in late 2025
		<i>We also issued the following:</i>  Amendments to Assurance Engagements over Greenhouse Gas Emissions Disclosures responsive to stakeholder feedback (November 2024)	
<b>Support adoption and implementation by: Conducting engagements in the form of webinars, events, and forums and/or issuing guidance on:</b>	<b>Timing</b>		
- The audit of service performance information (SPI)	June 2025	Progressed	On track
- Assurance over Greenhouse Gas Emissions (GHG) Disclosure	June 2025	Progressed	On track



2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
- What is limited or reasonable assurance	June 2025	N/A	On track
- The review of service performance information	June 2025	N/A	On track
- Going concern	June 2025	N/A	On track
- Public interest entity requirements	June 2025	N/A	Only expect to issue a revised standard in late 2025 and any necessary guidance will be delayed
- Publish an implementation update on NZ SAE 1 (to inform the temporary nature of the standard)	June 2025	N/A	On track
	<b>Quality</b>  Stakeholders report a satisfaction rate of (at least) 75% with XRB-hosted Audit and Assurance events and a satisfaction rate of (at least) 75% with Audit and Assurance implementation documents.	N/A	We measure our stakeholder satisfaction annually and report the results in our annual report

## International influence and liaison

This area is about the activities we undertake to harmonise standards with Australia and influence the work of the international boards during the appropriate stages of standards development to ensure high-quality global standards that are both suitable in the New Zealand context and in the New Zealand public interest. Copies of all our submissions can be found here: <https://www.xrb.govt.nz/submissions/>

By influencing the work of international standard setting boards, we aim for global standards that are relevant in a New Zealand context and align with our regulatory and legislative environment. International standard setting decisions are typically undertaken over multiple years. For this reason, assessing the degree to which our presence at various meetings has influenced individual outcomes can be challenging. However, maintaining strong engagement by contributing to debates builds New Zealand's reputation as a credible and expert standard setter in the international community.

	<b>Actual six months to 31 December 2024</b>	<b>2024/25 Annual forecast per SPE</b>
	<b>\$'000</b>	<b>\$,000</b>
Crown revenue allocated	929	1,858
Other revenue allocated	17	52
Direct costs	(379)	(1,454)
Attributed overhead costs	(334)	(642)
<b>(Deficit)/surplus</b>	<b>233</b>	<b>(186)</b>

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
<b>Build and maintain relationships and New Zealand membership, representation, and participation with key international and jurisdiction-level standard setting bodies and relevant task forces.</b>	<p><b>Quality</b></p> <p>Demonstrated relationships with and access to, key decision makers (e.g., via meetings, email communication, participation in mutual events) including maintaining New Zealand membership on and participation with the following boards:</p> <ul style="list-style-type: none"> <li>- International Public Sector Accounting Standards Board (IPSASB)</li> <li>- International Auditing and Assurance Standards Board (IAASB)</li> <li>- Australian Accounting Standards Board (AASB)</li> <li>- Australian Auditing and Assurance Standards Board (AUASB)</li> <li>- Australian Financial Reporting Council (FRC)</li> </ul> <p>Plus:</p> <ul style="list-style-type: none"> <li>- Selection to task forces and working groups</li> </ul>	<p><b>Achieved</b></p> <p><b>Achieved</b></p> <p><b>Achieved</b></p> <p><b>Achieved</b></p> <p><b>Achieved</b></p> <p><b>Achieved</b></p>	<p>Relationships are ongoing</p>

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
	<ul style="list-style-type: none"> <li>- Invitations to speak at events</li> <li>- Participation in relevant regional and technical groupings</li> </ul>	<p><b>Achieved</b></p> <p><b>Achieved</b></p>	
<b>Make submissions on the following international exposure drafts:</b>			
<b><u>Accounting standards</u></b>			
<b>IASB</b>	<b>Timing</b>		
- Business combinations – disclosures, goodwill and impairment	September 2024	<b>Achieved</b>	N/A
- Equity method	December 2024	<b>Achieved</b>	N/A
- Provisions	December 2024	<b>Progressed</b>	We expect our comment letter to be submitted in February 2025
- Updates to the subsidiaries without public accountability disclosures standard	December 2024	<b>Achieved</b>	N/A
		<p><i>We also completed other submissions:</i></p> <ul style="list-style-type: none"> <li>- Contracts for Renewable Electricity</li> <li>- Climate Related and other Uncertainties in Financial Statements.</li> </ul>	

2024/25 Forecast per SPE	Measures: Timing, Quality	Achieved six months to 31 December 2024	Expected to be achieved for FY 2024/25
<b>IPSASB</b>			
- Measurement Application	August 2024	<b>Achieved</b>	N/A
- Natural resources	October 2024	<b>Progressed</b>  IPSASB released the ED later than originally anticipated and comments are due 28 February 2025. We will submit a comment before the revised due date.	<b>On track</b>
<b><u>Sustainability standards</u></b>			
Submissions will be made on relevant sustainability standard setting projects as they are published.	N/A	N/A	Will continue to monitor
<b><u>Audit and Assurance standards</u></b>			
Submissions will be made on relevant Audit and Assurance projects as they are published.	N/A	N/A	Will continue to monitor

## 5. Condensed interim financial statements

For the six months ended 31 December

### Condensed statement of comprehensive revenue and expense

	Actual to 31 December 2024	Budget to 31 December 2024	Actual to 31 December 2023
	\$000	\$000	\$000
Revenue from the Crown	4,159	4,160	4,365
Interest	74	132	168
<b>Total revenue</b>	<b>4,233</b>	<b>4,292</b>	<b>4,533</b>
Personnel costs	(2,820)	(2,949)	(2,800)
Board members' fees	(384)	(444)	(411)
Travel	(262)	(354)	(300)
Contributions to international boards	(147)	(234)	(245)
Depreciation	(42)	(42)	(31)
Audit fees	(21)	(25)	(23)
ICT costs	(143)	(118)	(234)
Operating lease expenses	(182)	(168)	(165)
Other operating expenses	(219)	(263)	(260)
<b>Total expenses</b>	<b>(4,220)</b>	<b>(4,596)</b>	<b>(4,469)</b>
<b>(Deficit)/surplus</b>	<b>13</b>	<b>(305)</b>	<b>64</b>

Explanations of major variances to budget are provided in Note 6.

## 5. Condensed interim financial statements (continued)

For the six months ended 31 December

### Condensed statement of changes in equity

	Contributed capital \$000	Accumulated revenue and expenses \$000	Total equity \$000
Balance at 1 July 2024	725	3,836	4,361
Total comprehensive revenue and expense	-	13	13
Balance at 31 December 2024	725	3,849	4,374

## 5. Condensed interim financial statements (continued)

As at 31 December

### Condensed statement of financial position

	Actual as at 31 December 2024	Actual as at 30 June 2024
	\$000	\$000
<b>Equity</b>		
Contributed capital	725	725
Accumulated surplus	3,649	3,636
<b>Total equity</b>	<b>4,374</b>	<b>4,361</b>
<b>Current assets</b>		
Cash and cash equivalents	2,756	515
Receivables and prepayments	9	83
Investments	2,002	5,237
<b>Total current assets</b>	<b>4,767</b>	<b>5,835</b>
<b>Current liabilities</b>		
Payable and accruals	(380)	(277)
Employee entitlements	(197)	(221)
Return of retained earnings to Crown	-	(1,100)
Provisions	-	(100)
<b>Total current liabilities</b>	<b>(577)</b>	<b>(1,698)</b>
<b>Non-current assets</b>		
Property, plant and equipment	223	261
Intangible assets	-	3
<b>Total non-current assets</b>	<b>223</b>	<b>264</b>
<b>Non-current liabilities</b>		
Provisions	(40)	(40)
<b>Total non-current liabilities</b>	<b>(40)</b>	<b>(40)</b>
<b>Total net assets</b>	<b>4,374</b>	<b>4,361</b>



## 5. Condensed interim financial statements (continued)

For the six months ended 31 December

### Condensed cash flow statement

	Actual to 31 December 2024	Actual to 31 December 2023
	\$000	\$000
<b>Cash flows from operating activities</b>		
<i>Cash was provided from:</i>		
Revenue from the Crown	4,159	4,365
Interest received	74	168
	<u>4,233</u>	<u>4,533</u>
<i>Cash was disbursed to:</i>		
Payments to employees	(2,944)	(2,798)
Payments to suppliers	(1,033)	(1,404)
Contributions to international standards boards	(147)	(245)
	<u>(4,124)</u>	<u>(4,447)</u>
<b>Net cash flow from operating activities</b>	<b>109</b>	<b>86</b>
<b>Cash flows from investing activities</b>		
<i>Cash was provided from:</i>		
Investment	3,235	382
Sale of assets	1	-
<i>Cash was disbursed to:</i>		
Purchase of assets	(4)	(128)
<b>Net cash flow from investing activities</b>	<b>3,232</b>	<b>254</b>
<b>Cash flows from financing activities</b>		
<i>Cash was disbursed to:</i>		
Return of retained earnings to Crown	(1,100)	-
<b>Net cash flow from financing activities</b>	<b>(1,100)</b>	<b>-</b>
Net increase / (decrease) in cash	<u>2,241</u>	<u>340</u>
Add opening cash balance	515	555
<b>Closing cash balance</b>	<b><u>2,756</u></b>	<b><u>895</u></b>

## 5. Condensed interim financial statements (continued)

For the six months ended 31 December 2024

### Notes to the condensed interim financial statements

**1. Basis of preparation**

The condensed interim financial statements have been prepared in accordance with PBE IAS 34 *Interim Financial Reporting* as it applies to Tier 2 entities.

**2. Accounting policies**

The accounting policies adopted in the preparation of the condensed interim financial statements are consistent with those followed in the preparation of the XRB's annual financial statements for the year ended 30 June 2024. The XRB has not early adopted any new standard, interpretation or amendment that has been issued but is not yet effective.

**3. Budget figures**

The budget figures are derived from the Statement of Performance Expectations tabled in Parliament at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the XRB for the preparation of these financial statements.

**4. Significant events**

There are no significant events and transactions since the last reporting date.

**5. Events after the end of the interim period**

There have been no significant events after the end of the interim period until the date of this report.

**6. Explanation of significant variances against budget**

**Interest**

Interest rates have fallen quicker than budgeted resulting in lower interest revenue.

**Board member fees**

Less time was spent on the establishment of the new Sustainability Reporting Board than budgeted.

**Travel**

Lower travel spend has been partly due to deferral of some trips and partly due to international flight costs not being as high as anticipated.

**Contributions to international boards**

There are timing differences for our actual international contribution payments.

### ICT costs

Costs are higher than budgeted due to a timing difference of licenses for a new process management tool

## 7. Capital Expenditure

	Actual to 31 December 2024	Actual to 31 December 2023
Computer equipment	2	18
Plant and Equipment	2	-
Office fit-out	-	110
	<hr/> 4	<hr/> 128

The full year budget for capital expenditure is \$80k.