

- Applies to entities required by legislation or other pronouncements or that elect to publish interim financial reports.
- Standard does not mandate which entities should produce interim financial reports.

- If complete set is published in the interim report, full compliance with PBE Standards is required (in particular PBE IPSAS 1 - *Presentation of Financial Statements*).
- If condensed set is presented, include:
 - A condensed statement of financial position.
 - A condensed statement of comprehensive revenue and expense (using either the one or two statement approach - see PBE IPSAS 1).
 - A condensed statement of changes in net assets/equity.
 - A condensed cash flow statement;
 - A comparison of budget and actual amounts either as a separate additional financial statement or as a budget column in the financial statements (if the entity makes its approved budget for an interim period publicly available); and
 - Selected explanatory notes (Guidance is given in NZ IAS 34.16A of the required selected explanatory notes).
- The condensed statements are required to include at least:
 - Headings and subtotals included in most recent annual financial statements.
 - Selected minimum explanatory notes per PBE IAS 34 - explaining events and transactions significant to understanding of the changes in financial position/performance since last annual reporting date.

DEFINITIONS

- Interim Period - financial reporting period shorter than full financial year.
- Interim financial report - contains either a complete (as described in PBE IPSAS 1) or condensed set of financial statements.

RECOGNITION AND MEASUREMENT

ACCOUNTING POLICIES

- Principles for recognising assets, liabilities, income and expenses are same as in the most recent annual financial statements.
 - Unless there is a change in an accounting policy that is to be reflected in the next annual financial statements.
- Tax recognised based on weighted average annual income tax rate expected for the full year.
- Tax rate changes during the year are adjusted in the subsequent interim period during the year.

USE OF ESTIMATES

Interim reports require a greater use of estimates than annual reports.

COSTS INCURRED UNEVENLY

Anticipated or deferred only if it would be possible to defer or anticipate at year end.

SEASONAL, CYCLICAL OR OCCASIONAL REVENUE

- Revenue received during the year should not be anticipated or deferred where anticipation would not be appropriate at year end.
- Recognised as it occurs.

OTHERS

- For highly seasonal entities, consider reporting additional information for 12 months.
- Changes in accounting policies accounted for as normal in terms of PBE IPSAS 3 - *Accounting Policies, Changes in Accounting Estimates and Errors*;

COMPLIANCE WITH PBE IAS 34

Disclose the fact that the entity complies with PBE IAS 34.

IMPAIRMENT

- An entity must not reverse an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost.
- An entity must not extend this requirement by analogy to other areas of potential conflict between PBE IAS 34 and other PBE Standards.

PERIODS TO BE PRESENTED

- Statements of Comprehensive Revenue and Expense for the current interim period and cumulatively for the current financial year, with comparatives for the comparable interim period of the preceding financial year.
- Statements of Financial Position at the end of the current interim period, at the end of the immediately preceding financial year and at the interim period of the immediately preceding financial year.
- Statements of Changes in Net Assets/Equity for the current financial year to date, with comparatives for the comparable year to date of the immediately preceding financial year.
- Cash Flow Statements for the current financial year to date, with comparatives for the comparable year to date of the immediately preceding financial year.

TIER 2 RDR REPORTERS

RDR Reporters are granted certain disclosure exemptions under PBE IAS 34.