

**Reprint
as at 1 April 2014**



Financial Reporting Order 1994

(SR 1994/134)

Financial Reporting Order 1994: revoked, on 1 April 2014, by section 54(3) of the Financial Reporting Act 2013 (2013 No 101).

Thomas Eichelbaum, Administrator of the Government

Order in Council

At Wellington this 27th day of June 1994

Present:

His Excellency the Administrator of the Government in Council

Pursuant to sections 12 and 20 of the Financial Reporting Act 1993, His Excellency the Administrator of the Government, acting by and with the advice and consent of the Executive Council, hereby makes the following order.

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Note

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.

Note 4 at the end of this reprint provides a list of the amendments incorporated.

This order is administered by the Ministry of Business, Innovation, and Employment.

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Order

1 Title and commencement

- (1) This order may be cited as the Financial Reporting Order 1994.
- (2) This order shall come into force on 1 July 1994.

2 Interpretation

- (1) In this order, unless the context otherwise requires, **the Act** means the Financial Reporting Act 1993.
- (2) Terms or expressions that are not defined in this order, but that are defined in the Act or the Companies Act 1993, have the meanings given to them by the Act or the Companies Act 1993.

3 Form of financial statements of exempt companies

- (1) Subject to subclause (2), financial statements of an exempt company prepared for the purposes of the Act—
 - (a) must be in the form set out in the Schedule; and
 - (b) must contain the particulars required by that form; and
 - (c) may contain such other particulars as the board of the company considers to be appropriate for inclusion in the financial statements.
- (2) Where, in the financial statements of an exempt company, the amount of an item for an accounting period is not material and the amount of that item for the preceding accounting period is also not material, neither of those items need be separately disclosed.

4 Directions for preparation of financial statements of exempt companies

Financial statements of an exempt company prepared for the purposes of the Act must comply with the following accounting policies:

Accrual accounting

Accrual accounting must be used to record the effects of transactions and events when they occur.

Accounts receivable

Accounts receivable must be stated at their estimated net realisable value.

Depreciation

Depreciation must be calculated either—

- (a) using the rates permitted under the Income Tax Act 2007; or
- (b) on a systematic basis over the economic life of the asset.

Inventories

Inventories must be valued at the lower of cost and net realisable value.

Non-current assets

Non-current assets must be stated at cost or valuation less aggregate depreciation or amortisation.

Specified leases

Any lease that qualifies as a specified lease for the purposes of section YA 1 of the Income Tax Act 2007 must be capitalised at the present value of the minimum lease payments and the leased asset must be depreciated—

- (a) using the rates permitted under the Income Tax Act 2007; or
- (b) on a systematic basis over the economic life of the asset.

Income tax

Income tax must be accounted for by the taxes payable method.

Clause 4 *Depreciation* paragraph (a): amended, on 1 April 2008 (effective for 2008–09 income year and later income years, except when the context requires otherwise), by section ZA 2(1) of the Income Tax Act 2007 (2007 No 97).

Clause 4 *Depreciation* paragraph (a): amended, on 1 April 2005 (effective for 2005–06 tax year and later tax years, except when the context requires otherwise), by section YA 2 of the Income Tax Act 2004 (2004 No 35).

Clause 4 *Specified leases*: amended, on 1 April 2008 (effective for 2008–09 income year and later income years, except when the context requires otherwise), by section ZA 2(1) of the Income Tax Act 2007 (2007 No 97).

Clause 4 *Specified leases* paragraph (a): amended, on 1 April 2008 (effective for 2008–09 income year and later income years, except when the context requires otherwise), by section ZA 2(1) of the Income Tax Act 2007 (2007 No 97).

Clause 4 *Specified leases* paragraph (a): amended, on 1 April 2005 (effective for 2005–06 tax year and later tax years, except when the context requires otherwise), by section YA 2 of the Income Tax Act 2004 (2004 No 35).

5 Fees and penalties

- (1) The registration fee payable by an issuer to the Registrar under section 18(2) of the Act is \$250.
- (2) The registration fee payable by a company to the Registrar under section 19(3) of the Act is \$250.
- (3) Subject to subclause (3A), if a person who is required to deliver financial statements or group financial statements, and the auditor's report on those statements, to the Registrar for registration under section 18 or section 19 of the Act, fails to do so within the time prescribed, the person shall pay to the Registrar, by way of penalty and in addition to the applicable registration fee prescribed under subclause (1) or subclause (2),—
 - (a) where all the documents are delivered not later than 25 working days after the time prescribed, \$25; or
 - (b) where any or all of the documents are delivered more than 25 working days after the time prescribed, \$100.
- (3A) If any document is delivered to the Registrar after the time specified in the Act in respect of the document, and the Registrar is satisfied that the omission to deliver the document within the time limit was accidental or due to inadvertence, or that it is just and equitable to do so, he or she may remit wholly or partly the penalty payable in respect of the late delivery of the document.
- (4) The fees prescribed by subclauses (1) and (2) are inclusive of goods and services tax payable under the Goods and Services Tax Act 1985.

Clause 5(1): amended, on 1 July 2007, by clause 4(1) of the Financial Reporting Amendment Order 2007 (SR 2007/137).

Clause 5(2): amended, on 1 July 2007, by clause 4(2) of the Financial Reporting Amendment Order 2007 (SR 2007/137).

Clause 5(3): amended, on 1 April 1996, by clause 2(1)(b) of the Financial Reporting Order 1994, Amendment No 1 (SR 1996/35).

Clause 5(3A): inserted, on 1 April 1996, by clause 2(2) of the Financial Reporting Order 1994, Amendment No 1 (SR 1996/35).

Schedule

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Financial statements of exempt company

Balance sheet

[*Name of company*]

Balance sheet as at [*specify date*]

	\$	\$
		(Comparative figures for preceding accounting period)
<i>Current assets</i>		
Bank		
Inventories		
Accounts receivable		
Advances and loans to directors and shareholders (or members)		
Other current assets		
<i>Current liabilities</i>		
Loans and overdrafts		
Accounts payable		
Advances and loans from directors and shareholders (or members)		
Dividends payable		
Tax payable		
Other current liabilities		
<i>Net current assets (liabilities)</i>		

Non current assets

Tangible assets—

land and buildings

motor vehicles

plant and machinery

Advances and loans to directors and shareholders (or members)

Investments

Intangible assets

Other non current assets

Non current liabilities

Term loans

Advances and loans from directors and shareholders (or members)

Other non current liabilities

*Net assets (liabilities)**Shareholders funds (analysed as appropriate)*

Note: The above information may be shown in a form that sets out assets alongside liabilities.

**Profit and loss statement (or income and
expenditure statement**

[*Name of company*]

Profit and loss statement (or income and
expenditure statement) for accounting period
ending on [*specify date*]

	\$	\$
		(Comparative figures for preceding accounting period)
<i>Turnover</i>		
<i>Other revenues</i>		
<i>Expenses by material category in addition to the specific sep- arate disclosure of—</i>		
depreciation		
amortisation		
directors and sharehold- ers (or members) remu- neration		
interest expense		
lease and rental costs		
<i>Net surplus (deficit) before tax- ation</i>		
<i>Income tax</i>		
<i>Net surplus (deficit) after taxa- tion</i>		
<i>Shareholders (or members) funds at beginning of period</i>		
<i>Dividends paid and payable</i>		
<i>Other changes in shareholders (or members) funds</i>		
<i>Shareholders (or members) funds at end of period</i>		

Other information

In addition to the particulars set out in the balance sheet and profit and loss statement (or income and expenditure statement) above, the financial statements must contain particulars as to the following:

Accounting policies

The measurement system adopted (for example, historical cost or modified historical cost)

The accounting policies adopted in determining the amounts to be included in respect of items shown in the balance sheet and profit and loss statement (or income and expenditure statement)

Changes, if any, in accounting policies from the previous financial statements and the effect of any such changes

The basis of valuation when assets are carried at valuation (for example, directors' valuation, independent qualified valuation, stock exchange valuation).

Securities and guarantees given by the company in respect of liabilities, if material.

Contingent liabilities, if material.

Balance of imputation credit account.

Whether or not the financial statements have been audited.

Marie Shroff,
Clerk of the Executive Council.

Issued under the authority of the Legislation Act 2012.
Date of notification in *Gazette*: 30 June 1994.

Reprints notes

1 *General*

This is a reprint of the Financial Reporting Order 1994 that incorporates all the amendments to that order as at the date of the last amendment to it.

2 *Legal status*

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

3 *Editorial and format changes*

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

4 *Amendments incorporated in this reprint*

Financial Reporting Act 2013 (2013 No 101): section 54(3)
Financial Reporting Amendment Order 2007 (SR 2007/137)
Income Tax Act 2007 (2007 No 97): section ZA 2(1)
Income Tax Act 2004 (2004 No 35): section YA 2
Financial Reporting Order 1994, Amendment No 1 (SR 1996/35)
