

Public submission

Attached is our submission for the RBNZ Consultation: Insurance Solvency Standards and NZ IFRS 16 Leases (July 2018).

There is both a public and confidential version.

Private version justification

We request that the specific values relating to questions 2, 5 and 7 of Appendix A are redacted as they are considered not “otherwise publicly available” and are not “in statistical or summary form” under sections 135(2)(a) and 135(2)(b), respectively, of the Insurance (Prudential Supervision) Act 2010. As these responses include forward looking financial data, we consider the information commercially sensitive.

RBNZ Consultation Paper: Insurance Solvency Standards and NZ IFRS 16 Leases

August 2018

Page	Question	Response
11	Is the description of the accounting approaches discussed in Part 3 consistent with your understanding of the current and new accounting approaches for lease contracts? If not, please provide an explanation of the differences.	Yes.
11	Are there any requirements of NZ IFRS 16 that you consider the Reserve Bank needs to make specific provisions for in the Solvency Standard in addition to or instead of those set out in Part 2?	No.
11	Are there any requirements of NZ IFRS 16 transition proposals that you consider the Reserve Bank needs to consider?	No.
11	Are there any other specific lease related transactions that the Reserve Bank should consider from a Solvency Standard perspective?	No.
13	Do you consider that the nature of the potential risks of lease contracts and the accounting treatment of NZ IFRS 16 set out in Table 2 are reasonable?	Yes.
13	Are there any risks that have been ignored or inappropriately characterised?	No.
17	Do you consider that the proposed approach appropriately addresses the key risks identified in Table 2? If not, please provide an explanation and recommend an alternative approach.	Yes.
17	Do you consider that the draft text set out in Appendix B, would effectively implement the proposed changes?	Yes.
19	If your firm is an overseas licensed insurer under the Insurance (Prudential Supervision) Act, please indicate, if known, how the home regulator has or is expected to respond to the introduction of IFRS 16 for regulatory capital purposes	n/a

[REDACTED]		[REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED] [REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]

		<p>[REDACTED]</p> <p>[REDACTED]</p>
I	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>	<p>[REDACTED]</p>
I	<p>[REDACTED]</p> <p>[REDACTED]</p>	<p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p> <p>[REDACTED]</p>