

# **RESOURCE CONSENTS - INTANGIBLE FIXED ASSETS?**

**YES ... BUT, TOO DIFFICULT BY FAR!!**

**L.C. Hawkes**

**L.E. Tozer**

**Discussion Paper Series 201**

**May 2000**

**ISSN 1175 2874**

**MASSEY UNIVERSITY**  
**SCHOOL OF ACCOUNTANCY**  
**DISCUSSION PAPER SERIES**

**Editor:** Associate Professor J Dowds

**Editorial Panel:** Dr K F Alam  
Professor S F Cahan  
Mrs J P Pedley  
Professor M H B Perera  
Mr S T Tooley  
Associate Professor L G S Trotman

The discussion paper series of the School of Accountancy is intended to provide staff and postgraduate students of the School with a means of communicating new and partly developed ideas in order to facilitate academic debate. Discussion papers should not necessarily be taken as completed works or final expressions of opinions.

All discussion papers are subject to review prior to publication by members of the editorial panel. Views expressed are those of the authors, and are not necessarily shared by the School of Accountancy.

Normally discussion papers may be freely quoted or reproduced provided proper reference to the author and source is given. When a discussion paper is issued on a restricted basis, notice of an embargo on quotation/reproduction will appear on this page.

This discussion paper series is also now available at:

<http://www-accountancy.massey.ac.nz/Publications.htm>

**Enquiries about the discussion paper series should be directed to the Editor:**

School of Accountancy  
Massey University  
Private Bag 11222  
Palmerston North  
New Zealand

Telephone: (06) 350 5799 extension 2153  
Facsimile: (06) 350-5617  
Email: J.Dowds@massey.ac.nz

© 2000 L.C. Hawkes & L.E. Tozer, Massey University.

**RESOURCE CONSENTS - INTANGIBLE FIXED  
ASSETS? YES ... BUT, TOO DIFFICULT BY  
FAR!!**

**By**

**L.C. Hawkes**

**L.E. Tozer**

**School of Accountancy  
College of Business  
Massey University  
Palmerston North  
New Zealand**

## ABSTRACT

Recent international attempts to draft an accounting standard (IAS38) which establishes the most widely acceptable treatment for intangible assets have sparked debate among standard setters, practising accountants and media analysts. Contentious issues include differing treatment for internally and externally generated intangible fixed assets, and the requirement for the existence of a ready market for the exchange of intangible assets.

A further question has been identified, that of whether the 'right to do something', as in permission to act, is in itself an intangible asset and if so how should it be treated. An example of this is resource consents issued under the Resource Management Act 1991. The aim of this research was to investigate the nature of resource consents as intangible assets according to ICANZ disclosure and recognition standards and to determine the level of disclosure practised by companies listed on the New Zealand Stock Exchange.

Disclosure of resource consent details as non-financial information would provide a significant proportion of the benefits involved in disclosing this class of asset while limiting the costs involved in the production of the information. We conclude that the details of resource consents held should be disclosed in the annual report as additional non-financial information, or as a separate schedule of resource consents held in the notes to the financial statements as per FRS1. This view is not addressed by the requirements of IAS38 or ED87 as this 'class of intangible assets' is not discussed at all. However, it can be argued that the omission of resource consents and other similar intangibles is contrary to the spirit of the true and fair view requirement of the Financial Reporting Act and Generally Accepted Accounting Principles (GAAP).

**Keywords:** Environmental disclosures, Intangible assets

## **Introduction**

The past two decades have seen an increase in the amount of regulation regarding the way in which companies operate, in particular the way in which they interact with the surrounding social and natural environment. The Resource Management Act 1991 is one such piece of regulation that has imposed widespread restrictions, and in some cases additional costs, on the performance of activities which have an impact (generally negative) on the natural environment in New Zealand.

Significantly omitted from the requirements of the Resource Management Act are any requirements for accountability reporting to the public. The only reporting requirements for accountants dealing with the associated costs of the regulations are to be found in the Institute of Chartered Accountants of New Zealand (ICANZ) professional promulgations. In particular the Financial Reporting Standards (FRS's) regarding the disclosure and recognition of fixed assets; intangible assets; contingent liabilities; and development costs. Each professional is left to deduce for him/her self whether or not particular items are required to be disclosed or recognised in the financial statements. Of particular interest in this paper is the disclosure of information regarding intangible assets.

ICANZ (ED87) and the International Accounting Standards Committee (ISAC) (IAS38) have each drafted an accounting standard that attempts to establish the best treatment for intangible assets. IAS38 defines intangible assets as:

... an identifiable non-monetary asset without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes (IASC, 1998, IAS38, para. 7).

This definition is also used in ED87 in New Zealand, and raises the question of whether the 'right to do something', as in permission to act, is in itself an intangible asset according to the definition provided, and if so how should it be treated?

One example of this problem could be a resource consent issued under the Resource Management Act. The aim of this research was to investigate the nature of resource consents as intangible assets according to ICANZ disclosure and recognition standards and to determine the level of disclosure practised by companies in New Zealand.

## **Background**

The debate surrounding the inclusion of intangible assets on the balance sheet of corporations is again at the forefront of current standard setting activity (Heaton & Lont, 1999; Leo, 1999). ICANZ exposure draft (ED87) followed the IASC standard (IAS38) and the ensuing debate is focussed on the provision of a true and fair view of corporate operations/affairs.

The Statement of Concepts for General Purpose Financial Reporting (ICANZ, 1997) requires the provision of financial reports which are both relevant and reliable, hence the constituent parts of the financial statements are defined. The Statement of Concepts (SC) defines assets as:

... service potential or future economic benefits controlled by an entity as a result of past transactions or other past events (ICANZ, 1997, para 7.7),

while an intangible asset is defined as an:

... identifiable non-monetary asset without physical substance held for use in the production or supply of goods or services, for rental to others, or for administrative purposes (ICANZ, 1999, ED87 para 4.10).

The nature of intangibles makes their identification and recognition difficult, however, it can be argued that the inclusion of intangible assets in the body of financial statements is necessary due to the significant value of some intangible assets, for example brands. ED87 and IAS38 propose different treatment for some intangible assets depending on their origin, see Leo (1999). Their omission could result in the provision of a distorted picture of the value of an entity's asset base. The difficulty in some cases is to assign a value to the asset.

ED87 requires an intangible asset to be recognised in the financial statements:

... if and only if:

1. it is probable that the future economic benefits that are attributable to the asset will flow to the entity, and
2. the cost of the asset can be measured reliably (ICANZ, 1999).

In cases where both of these criteria cannot be met, any expenditure is to be expensed in the period in which it occurred.

The valuation of purchased intangible assets, under the historic cost model, is theoretically straightforward. The purchase price or cost is recognised and then amortised over the estimated economic life of the asset or some other arbitrary period. Intangible assets that are difficult to value are those which are "purchased" at minimum cost to the entity, but which have much greater value by virtue of their very existence or have been internally generated. These are specifically excluded under IAS38 (ED87).

### **The Impact of the Resource Management Act 1991**

Potential examples of difficult to value intangible assets are the resource consents issued under the Resource Management Act 1991. Resource consents enable an entity to undertake an activity that is restricted due to its potential to impinge on the surrounding natural environment. Resource consents include land-use consents; sub-division consents; coastal, water and discharge permits. Examples include the right to operate a dairy processing plant, extract gravel from a waterway, or the right to discharge particles into the atmosphere.

What constitutes the 'asset' is the right to perform under the terms of the consent and not the consent itself. The consent merely evidences the existence of the right to do something. This being the case, the acquisition of the consent constitutes the past event required in the Statement of Concepts (ICANZ, 1997) definition of an asset. It is debatable, however, whether acquisition cost in this sense is a relevant valuation at which to recognise the asset in the balance sheet as it is the economic benefit to be gained from holding the consent which is of value and not the consent itself. Cost is in no way a surrogate for value in this instance and IAS38 and ED87 serve to exacerbate the problem of how to 'value' intangibles for recognition in the financial statement, and not to alleviate it.

The service potential criteria are satisfied by the nature of the consent, since without the consent the production of goods, or the provision of the service permitted is not possible, or may only be possible in some other form, or at considerable additional cost to the entity. For example, the development of alternative technologies or processes may be necessary.

Applications for consents may be made in respect of controlled or discretionary activities, and in limited circumstances, for prohibited activities, to the relevant local authority. The exact procedures to follow when applying for a consent are set out in SS90–133 of the Resource Management Act 1991, and can include the initial application, the form of public notification, hearings, appeals and duration of the consents, along with cancellation and renewal procedures. The costs associated with these procedures are often included in the cost of obtaining resource consents and current practice sees these costs expensed, but in rare cases they are capitalised as research and development costs and amortised accordingly. Where these costs are material they should also be disclosed separately in order for the financial statements to be relevant and reliable.

The intangible asset embodied within a resource consent is "a right to do something" that would not ordinarily be permitted, and as such does not lend itself to easy valuation. It can, however, be argued that without the consent an organisation may be restricted in the activities it can perform and may even be forced out of existence. This has a direct impact on a company's ability to generate income, the value of other assets on the balance sheet, and therefore the market value of the entity as a whole. At this point the cost of obtaining the resource consent and its value to the entity are different. In many cases this *value* is material to the provision of a true and fair view as required by the Companies Act 1993; Financial Reporting Act 1993; and the Financial Reporting Standards (FRS's) issued by the Institute of Chartered Accountants of New Zealand (ICANZ).

An alternate basis for valuation permitted under ED87 is the 'fair value' of the asset. Fair value is deemed to be "the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction (ICANZ, 1999, para 4.8). In order for the fair value of

an intangible asset to be determined there must first exist an active market for the asset. This is not possible for resource consents as they are not tradable in the general sense of the term.

The transfer of consents is addressed in SS134-138 of the Resource Management Act. Land-use and sub-division consents attach to a particular piece of land and may be transferred between owners/occupiers of the land upon notification of the consent authority. Water and coastal permits may be transferred subject to some restrictions. A discharge permit also attaches to a site and may be transferred among owners/occupiers upon notification, however, the transfer of any of these consents may be expressly forbidden in the terms and conditions of the consent. The transfer/sale value of these consents may be a more realistic surrogate for their value, however, this is not obtainable under current conditions. The inability to determine an accurate or reliable value poses an accounting dilemma as many of the activities governed by resource consents are material to the entity which holds them.

What is considered to be material in accounting terms is specified in the Statement of Concepts (ICANZ, 1997). An item is material if its (non) disclosure will affect the decisions made on the strength of the information contained within the financial statements by users of the statements. It involves the exercise of professional judgement to determine whether an item is material in terms of its size (\$ value) or its nature (description). In the case of resource consents, their acquisition cost may be considered to be immaterial, however, their very nature may render them material, especially where their non-existence could threaten the going concern assumption in respect of the financial reports of the entity.

The cost of procuring a resource consent may be insignificant (\$50 to \$5000), but the cost of not having it may be the loss of integral business activities and even the demise of the business itself. This is important given the statutory requirement to portray a true and fair view of business operations to users of financial information as per the Companies Act 1993, Financial Reporting Act 1993 and the Statement of Concepts for General Purpose Financial Reporting (ICANZ, 1997).

The preparation of financial accounting information is based on the premise that the entity, which is being reported upon, is going to remain in existence beyond the current accounting period. This is known as the going concern assumption of accounting. Auditors are required to evaluate the ability of an entity to continue to exist, at least through the foreseeable future, and comment on anything that may threaten this fundamental assumption. The cancellation or expiration of a resource consent within the past or current accounting period may disable the activities of an entity and bring into question the continued existence of the entity. From this perspective the resource consent is material and at least narrative disclosure of its existence, duration, and any other relevant terms and conditions should be made to facilitate reliable decision-making.



The expiration or cancellation of a resource consent, or the revoking of the right to perform a certain activity, can also be an implicit cost to the organisation. Costs may also be incurred, primarily legal costs, in the process of resisting the revocation of a resource consent which may be considerable and, therefore, material. If, for example, a resource consent expires at some point in the future, the organisation is exposed to the costs of renewing the consent and public scrutiny of its operations. This carries the potential for altered conditions of operations or loss of the right together. There may also need to be an additional investment of cash and other resources into the development of alternative ways of undertaking the activity covered by the resource consent. Many of the costs associated with this process can be capitalised as research and development costs. This also has a bearing on their valuation.

An argument against disclosing resource consents in the financial statements is the difficulty in calculating a reliable value for the consents. The difficulty in valuing resource consents arises for several reasons. Resource consents do not have an established market for exchange and therefore a reliable market price cannot be established. Many resource consents that are transferred are included in the market price of the land or property to which they are attached; as such they are not often valued separately from the property being transferred.

Recording the costs of gaining a consent may also not produce a reliable value as the costs can vary greatly for similar consents depending on the actions of outside parties. An application that does not attract any objections and is within the specified environmental plans of the local regional authority will only attract the cost of an application fee. A similar resource application that attracts a determined objection, that is taken to appeal by the objector, can cost many times the application fee. Although these costs are verifiable and have been incurred by the companies involved, they present a very different value to similar assets which affects the comparability of financial statements. A reliable value is needed to be able to justify the inclusion of resource consents as an asset in the financial statements. If a reliable and meaningful value is not produced the benefits of including resource consents as assets is lost as it will not convey meaningful information to the users of financial statements. Given that valuation is problematic and probably not necessary for the provision of full information to users of financial statements, disclosure by way of narrative description of the nature of the resource consent and any relevant clauses or conditions that attach to the activity covered by it, might be sufficient for most stakeholders.

Non-adherence to the terms and conditions of resource consents attracts financial penalties, and potential additional costs. What constitutes an offence under the Act is set out in section 338 and includes a breach, or permitting a breach, of sections 9,11,12,13,14 and 15:

"which impose duties and restrictions in relation to land, subdivision, the coastal marine area, the beds of certain rivers and lakes, water and discharge of contaminants." [S338 (1)(ii)]

The penalties available under the Resource Management Act 1991 are prescribed in section 339 and include a prison term of up to two years and/or a fine of up to \$200,000. If the offence is of a continuing nature a further fine of up to \$10,000 per day may be imposed.

The penalties attach not only to companies per se, but to individual managers and directors under section 340(3):

"where any body corporate is convicted of an offence against this Act, every director and every person connected with the management of the body corporate shall be guilty of the like offence if it is proved -

- (a) ... the act ... took place with his/her knowledge, permission or consent; and
- (b) ... he/she knew or should be reasonably expected to have known that the offence was to be or was being committed and failed to take all reasonable steps to prevent or stop it."

[RMA, 1991, S340 (3)]

This section extends beyond the corporate veil in a concerted attempt to prevent environmental misuse and degradation. It does this by putting in place a sizeable, quantifiable deterrent which not only affects company balance sheets and public image, but also the individual managers and directors responsible for actions performed in the name of the company.

The materiality of penalties should also provide a rationale for the inclusion of information concerning the existence, nature and duration of the resource consent. The fact that there is an element of personal liability for managers and directors should perhaps also be disclosed especially where this has an impact on a going concern. The extent to which organisations appear to give weight to the points discussed above is considered in the research reported in this paper.

## **Research Method**

The aim of this research was to investigate the nature of resource consents as assets to the organisation that holds them, with reference to Generally Accepted Accounting Principles (GAAP) and to determine what current disclosure practices are in companies in New Zealand. In order to achieve this aim the following objectives were established:

- to determine whether companies consider resource consents to be assets according to the definition of assets provided in the Statement of Concepts (ICANZ, 1997);
- if so, do companies disclose them as such in the Annual Report; and
- to ascertain their reasons for (non) disclosure.

The companies to be surveyed were selected from the New Zealand Stock Exchange (NZSE) listing and initially included the whole population. Subsequently those companies that do not operate within New Zealand were excluded, as were financial institutions. The adjusted sample included 113 NZSE listed companies.

The empirical research consisted of two parts. A questionnaire survey of 113 companies listed on the New Zealand Stock Exchange (NZSE) to ascertain the attitudes of Chief Financial Officers (or their equivalent) towards resource consents, as the person responsible for the preparation of the financial statements and the selection of appropriate accounting policies for the entity. The aim was to determine whether they considered resource consents to be assets of the company and, if so how did they treat them in the financial statements. It was also intended to gain an understanding of their treatment of resource consent costs and the justification for the approach taken.

A document survey of the Annual reports of all 113 companies was also performed for the years 1996, 1997 and 1998 to identify actual disclosures regarding resource consents. Disclosures were sought from both the financial and non-financial information provided within the Annual Report as a whole. The Annual Reports were obtained directly from the companies where possible, and from library resources where companies did not provide reports.

Of the 113 companies surveyed, 43 responded giving a response rate of 38 percent, leaving a non-response rate of 62 percent. Oppenheim (1966) noted that “for respondents who have no special interest in the subject matter of the questionnaire, figures of 40 per cent to 60 per cent are typical, even in studies of interested groups, 80 per cent is seldom exceeded” (p.34). However, Babbie (1979) asserted that figures put forward as benchmarks regarding the level of responses “... are only rough guides; they have no statistical basis, and a demonstrated lack of response bias is far more important than a high response rate” (p.335).

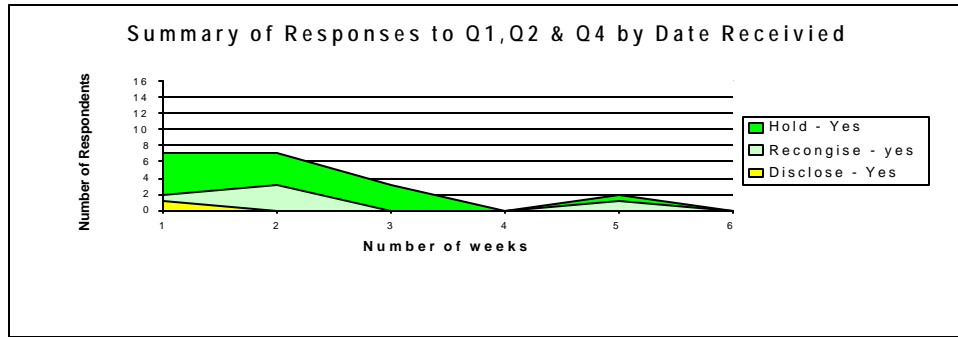
Tests to ascertain the level of response bias include:

- analysis ... of answers to key questions by date of reply. Early returns often yield a higher proportion of positive answers to one or more of the key questions than do later replies. By plotting the proportion of positive answers over time, an estimate can be made, by extrapolation, of the likely responses of those who did not respond at all.
- The profile of respondents can be checked against known characteristics of the population that has been sampled (Hoinville, Jowell & Assoc., 1987, pp.137-138) (see also Oppenheim, 1966, p.34).

The above tests were applied to the non-respondents to the questionnaire used in this research. The answers to questions one, three and four were regarded as the key questions, and were analysed according to return dates, see graph 1.

Question one asked respondents to indicate whether or not they hold any resource consents under the Resource Management Act, question three asked if the resource consents were recognised as assets of the entity, and question four asked if they were disclosed as assets in the financial statements of the entity. These questions were selected because these responses were fundamental to further analysis of the questionnaire and the subsequent document study.

**Graph 1: Non-response Bias Test**



The majority of the responses were received during the first three weeks, 92% of the responses received had arrived within the first three weeks. After week three responses were spasmodic and slow. No follow-up letters were sent as primary reliance was being placed on the information gathered in the document search, given that the entire adjusted sample of 113 companies could be included.

The results of these tests showed it was probable that to attempt to attract further responses would yield an even higher proportion of responses indicating either non recognition and non disclosure. In light of the above analyses, the level of non-responses to this questionnaire is not considered to have a material affect upon the validity of the findings.

The document survey included the annual reports of NZSE listed companies for the 1996, 1997 and 1998 financial years. Some annual reports were unobtainable at the time the analysis was undertaken, leaving numbers for each year as follows:

**TABLE 1: Document search numbers**

	1996	1997	1998
Number of Annual Reports Surveyed	96	93	82

**Findings**

Of the 44 companies that responded to the questionnaire, 24 (55%) stated that they held resource consents under the Resource Management Act 1991. Of these 24 companies only 9 recognised the resource consents as assets of the company, and only one actually disclosed them in the financial statements. The respondents acknowledged no other disclosures. If the disclosure of resource consents held became mandatory, it would be expected that at least those companies that consider resource consents to be assets of the entity provide the additional information in the prescribed form. The recognition of the status of consents as assets and subsequent non-disclosure would seem to suggest that companies are erring on the side of conservatism.

The document search examined the annual reports of NZSE listed companies for the 1996, 1997, and 1998 financial years (see Table 1). In 1996, 70 (73%) of companies did not disclose resource consents as assets either in their financial statements, or in the other information provided in the Annual Report. This fell to 67% for each of the following two years. Of the 26 (27%) companies that did make disclosures in 1996, 24 (92%) were disclosures outside the body of the financial statements. Two companies disclosed the cost of acquiring the resource consent separately in the financial statements, in one case this was a negative disclosure in the form of an "impairment to a fixed asset" by virtue of the existence of a resource consent which attached to the asset. This is just 2.5% of the total number of annual reports reviewed that showed details of resource consents in the annual reports. This number rose to 5 (6%) of surveyed companies in 1998, overall the document survey identified a very low level of disclosure of resource consents over a three-year period 1996–1998. Table 2 summarises the level of disclosure over the period.

**TABLE 2: Resource Consent Disclosures in Annual Report 1996-98**

<b>Disclosures</b>	<b>1996</b>	<b>1997</b>	<b>1998</b>
	<b>%</b>	<b>%</b>	<b>%</b>
None	73	67	67
Costs/ Disclosure in F/S	2	2	5
Environmental policy stated	14	20	19
Comment on Resource Management Act 1991	15	17	16

This is an interesting result given the comment in Leo (1999) that companies wanted to be able to include internally generated intangible assets. In all probability this may be so, however, they will not want to disclose how potentially risky their operations are. This is consistent with previous research findings that suggest entities are more likely to provide disclosures that are positive in nature and do not inflate the perceived riskiness of the business or its activities (see Deegan & Gordon (1996); Gibson & Guthrie (1995); and Deegan & Rankin (1996)).

The reasons given for non-disclosure revolve around the difficulty of valuing the consents. Many considered that the values of resource consents were reflected in the values of the property to which the resource consent related. This argument would actually support the disclosure of the resource consents, in the annual reports. If property values reflect the value of associated resource consents, the expiry of those consents would result in a possible fluctuation in the value of the property involved. This potential change in value needs to be disclosed to ensure that readers of the financial statements gain a true and fair view of the property values involved. Disclosure of details of the resource consents, including expiry date, restrictive conditions and monitoring requirements if any, would provide some insight into the potential impact of the expiry of the resource consent without renewal. Disclosure may take at least two forms, incorporation of resource consents as assets in the Financial

Statements of the entity, and/or as a separate schedule of resource consents held in the Notes to the Financial Statements.

Other respondents claim the cost of obtaining the resource consents is not material and therefore no disclosure is necessary. This considers only one aspect of materiality – the financial value. The materiality of an item is explained in the Statement of Concepts (ICANZ, 1997) as being material if it is of a nature or amount that its disclosure, or method of treating it is likely to influence users of financial reports in making decisions or assessments. The need to renew a resource consent and the potential for renewal to be refused can have significant impact on the value of a company and as such it would fit into the definition of a material item. This would obviously be a matter of judgement based on the circumstances and the potential impact on property values or operations of the loss of a resource consent. The requirement of the Companies Act 1993 and the Financial Reporting Act 1993 to provide a true and fair view of the operations of the entity may also be compromised by any lack of information regarding the resource consents held by an entity.

The major change in the level of disclosure is an increase from 14 to 19 (35%), in the number of Companies including a statement of their environmental policy in their annual report. The vast majority of these disclosures are a simple statement of a broad policy to minimise the company's negative impact on the environment. For example, Fernz Corporation in their 1997 Annual Report had the following:

#### **POLICY STATEMENT ON ENVIRONMENT AND PUBLIC RESPONSIBILITY**

---

Fernz is committed to ensuring that its activities present a high level of protection for the health and safety of its employees, customers, the public and the environment.

To achieve this Fernz will:

- Ensure that all statutory controls, relevant standards and Codes of Practice are complied with in the operation of the business at all times.
- Where controls or standards do not exist, use Best Practicable Technology to ensure that the operation of the business minimises any environmental effect.
- Assess the effects of the Company's products and operations on employee health and the environment and, if any unacceptable risk is established, to change the product or operation to minimise that risk.
- Provide information on toxic and environmental effects of company products so that users will be able to minimise risk to themselves, the public and the environment.
- Ensure that safe working conditions exist at all sites and contingency plans are maintained to cover all potential emergencies.
- Ensure that all staff are fully trained to carry out their responsibilities to protect the environment and their own and public health.
- Aim for continuous improvement in order to prevent accidents, minimise environmental emissions and waste and conserve energy.

Source: Fernz Corporation, 1997, p.58

The level of disclosure of resource consents, either the details of the consents or the costs involved in gaining them is minimal. Only two disclosures were made in each of 1996 and 1997. One disclosure was a capitalisation of resource consent application costs into the capital work in progress recorded in the notes to the accounts of Northland Port Corporation (NZ) Ltd. The costs involved exceeded \$3 million in 1997. The second disclosure was a textual note disclosing the encumbrance on land created under the conditions of any resource consent held. The additional disclosures made in 1998 include disclosures of the costs incurred to comply with RMA 1991 requirements, being design costs to meet emission standards, environmental clean up costs, and the purchase of resource consents associated with the cutting rights of a forestry block.

Several Companies published environmental information, often combined with health and safety information, in separate reports. Examples of this treatment included Tasman Pulp and Paper Company Ltd and Carter Holt Harvey Ltd. These separate reports included detailed environmental information and disclosure of resource consent information in a narrative non-financial form. The reports are available free to interested parties on request. Only two of these companies made reference to the separate reports in their annual reports. We did not consider these reports to be a substitute for the inclusion of information in the annual report as they are not received by all users of the annual report. The references to the separate reports were minimal and could easily be missed in all cases.

An interesting aspect of the findings was the apparent conflict between a number of companies including comments on the significant costs and difficulties they are experiencing under the Resource Management Act 1991 processes and the lack of disclosure of any information on resource consents. A total of 4.2% in 1996, 6.5% in 1997, and 8.5% in 1998 of companies commented on the significant costs involved in complying with Resource Management Act requirements and the consents application process. Yet none of these companies disclosed any detail of these significant costs in their financial statements. If the costs of complying with the Resource Management Act 1991 are significant, it would seem logical to expect disclosure of information on these costs in the annual reports as they are a material aspect of the companies operations and activities.

The failure to recognise and disclose resource consents as assets means that a class of assets is not being recognised and the financial statements may not provide a full picture of a company's operations. This research found that a majority (77.5%) of the companies did not recognise resource consents as assets. The costs involved are treated as period costs and the details are not disclosed. Therefore, resource consents are not disclosed in any form in the majority of annual reports of New Zealand companies listed on the NZSE.

The general trend in the reporting of resource consents over the three year period was static. An increase in the number of companies including a statement of their environmental policy was the most significant change. The increase in reporting of resource consents information seems dramatic with a doubling of the numbers providing such detail but the low level of disclosures means any change gives a large percentage increase. Only 5% of companies included any details of resource consents in their annual reports.

We believe that the low level of disclosure of resource consents information means that annual reports are lacking in disclosure of an important class of assets. We acknowledge the difficulties in valuing resource consents but believe that the disclosure of resource consents information in a non-financial form would provide important information for users of financial statements. This could even be provided in a schedule of resource consents held in the 'Notes to the Financial Statements' as per FRS1.

### **Conclusion**

Resource consents issued under the provisions of the Resource Management Act 1991 do have significant effects on the operations of many companies. Resource consents can place restrictions on processes and operations in terms of emission limits, operating time limits, or monitoring requirements. The withdrawal or expiry of a resource consent without renewal would mean the loss of ability to operate for many companies. The loss of operations is a material event for any organisation and as such information on resource consents is material to the future of a Company. This would, therefore, indicate that disclosure of information on resource consents is necessary to ensure readers of financial statements gain a true and fair view of a companies operations.

A review of the definition of an asset reveals that a resource consent does fit the criteria for recognition as an asset under the Statement of Concepts (ICANZ, 1997). "Assets are service potential or future economic benefits controlled by the entity as a result of past transactions or other past events" (ICANZ, para 7.7, 1997). A consent to operate a particular activity from a site, extract inputs or discharge wastes and emissions provides future economic benefits for an entity. The granting of the consent, for a set period, is the past event which gives rise to the asset. So as an asset under the Statement of Concepts (ICANZ, 1997) resource consents should be disclosed as any other asset is disclosed to present a true and fair view of a company's financial position.

Given the difficulty in gaining a reliable valuation it may seem inappropriate to include resource consents as intangible assets within the financial statements as the costs involved may outweigh the benefits gained. This does not mean they cannot be disclosed as additional non-financial information in the annual report, or as a schedule of resource consents held in the notes to the accounts. Disclosure of resource consent details as non-financial information would provide a significant proportion of the benefits involved in



disclosing this class of asset while limiting the costs involved in the production of the information. We conclude that the details of resource consents held should be disclosed in the annual report as additional non-financial information. While this view is contrary to the requirements of IAS38 and ED87 it can be argued that the omission of resource consents and other similar intangibles is contrary to the spirit of the true and fair view requirement of the Financial Reporting Act and Generally Accepted Accounting Principles (GAAP).

## References

- Babbie, E.R. (1979). The practise of social research. (Belmont: Wadsworth).
- Deegan, C. & Gordon, B. (1996). A study of the environmental disclosure policies of Australian corporations. Accounting & Business Research. 26(3), 187-199
- Deegan, C. & Rankin, M. (1996). The materiality of environmental information to users of accounting reports. Accounting, Auditing & Accountability Journal. 10(4), 563-583.
- Fernz Corporation Limited, (1997). Annual Report 1997.
- Gibson, R. & Guthrie, J. (1995). Recent environmental disclosures in annual reports of Australian public and private sector organisations. Accounting Forum. 19(2/3), 111-127.
- Heaton, G. and Lont, D., (1999). Losing touch with reality, Chartered Accountants Journal, October 1999, pp 68 – 70.
- Hoinville, G., Jowell, R. & Associates. (1987). Survey research practise. (Aldershot: Gower).
- International Accounting Standards Committee (IASC), (1998). IAS 38: Intangible Assets, IASC, September 1998.
- Institute of Chartered Accountants in New Zealand (ICANZ) (1997). Statement of Concepts for General Purpose Financial Statements, Wellington: ICANZ.
- Institute of Chartered Accountants in New Zealand (ICANZ) (1999). ED87: Accounting for intangible assets, Wellington: ICANZ.
- Leo, K., (1999). Intangible assets: seeking consistency, Australian CPA, November 1999.
- Northland Port Corporation (NZ) Ltd, (1996). Annual Report 1996.
- Northland Port Corporation (NZ) Ltd, (1997). Annual Report 1997.
- Oppenheim, A.N., (1966). Questionnaire design and attitude measurement. (London: Heinemann Educational Books).
- Tasman Pulp and Paper Company Ltd, (1997). Environmental Report.

## STATUTES

- Resource Management Act. No. 69 of 1991. Wellington: GP Print.
- Companies Act. No. 105 of 1993. Wellington: GP Print.
- Financial Reporting Act. No. 106 of 1993. Wellington: GP Print.

# School of Accountancy

## Massey University

### Discussion Paper Series

Editor: Associate Professor J Dowds

Former Editors: Professor M.R. Mathews (1997-2000)  
Dr K. Dixon (1996-97)  
Professor M.H.B. Perera (1989-96)  
Professor M.J. Pratt (1987-89)  
Mr E. Delahunty (1986)  
Professor C.T. Heazlewood (1981-86)

- 1981 No. 1 The Role of Accounting Standards Vis-a-Vis the "Small" Company, by C.T. Heazlewood.
- No. 2 Socio-Economic Accounting - A Consideration of Evaluation Models, by M.R. Mathews.
- No. 3 Continuing Education: The New Defence of Professionalism, by M.R. Mathews.
- No. 4 A Survey to Obtain Responses of Accountants to Selected new Ideas in Accounting, by M.R. Mathews (Out of Print).
- No. 5 Value Added Statements: A Reappraisal, by M. Chye.
- No. 6 Marketing - A Challenge for Accountants, by F.C.T. Owen.
- No. 7 The FASB's Conceptual Framework for Financial Accounting and Reporting: An Evaluation, by M. Chye.
- No. 8 Some comments on the Conceptual Basis of ED-25, by B.R. Wilson (Out of Print).
- 1982 No. 9 The Matching Convention in Farm Accounting, by E. Delahunty and H.B. Davey.
- No. 10 What Accountants Think of (Certain) New Ideas (The Results of a Limited Survey), by M.R. Mathews.
- No. 11 The Role of Management Accounting in Small Businesses, by M.Chye and M.R. Mathews (Out of Print).
- No. 12 Views of Social Responsibility Disclosures: An International Comparison, by M.R. Mathews.
- 1983 No. 13 Valuation in Farm Accounts, by H.B. Davey and E. Delahunty (Out of Print).
- No. 14 Professional Ethics and Continuing Education, by M.R. Mathews.
- No. 15 Objectives of Accounting: Current Trends and Influences, by D.J. Kerkin.
- No. 16 Structured Techniques for the Specification of Accounting Decisions and Processes and Their Application to Accounting Standards, by J. Parkin.
- No. 17 The Accountants' Journal: An Adequate Forum for the Profession?, by D. Kerkin.
- No. 18 Tax Incentives and Investment Decisions in UK Manufacturing, by K.F. Alam (Out of Print).

- No. 19 Corporate Taxation and the Dividend Behaviour of Companies in the UK Manufacturing Industry, by K.F. Alam.
- No. 20 A Comparison of Accountants Responses to New Ideas: Washington State CPA's and New Zealand CPA's, by M.R. Mathews and E.L. Schafer.
- No. 21 Corporate Decision Making, Tax Incentives and Investment Behaviour: A Theoretical Framework, by K.F. Alam.
- 1984 No. 22 Factors Affecting Investment Decisions in U.K. Manufacturing Industry: An Empirical Investigation, by K.F. Alam (Out of Print).
- No. 23 Foreign Exchange Risk Management: A Survey of Attitudes and Policies of New Zealand Companies, by W.S. Alison and B. Kaur (Out of Print).
- No. 24 Canadian Accountants and Social Responsibility Disclosures - A Comparative Study, by M.R. Mathews and I.M. Gordon (Out of Print).
- No. 25 A Suggested Organisation for Social Accounting Research - Some Further Thoughts, by M.R. Mathews (Out of Print).
- No. 26 A Comparison of B.C. and Washington State Accountants on Attitudes Towards Continuing Education, by M.R. Mathews and I.M. Gordon.
- No. 27 Changes in Cost Accounting Since 1883, by L.W. Ng.
- No. 28 The "Interpretive Humanistic" Approach to Social Science and Accounting Research, by L.W. Ng.
- No. 29 Corporate Taxation and Company Dividend Policy, by K.F. Alam.
- No. 30 Educating the Professional Accountant - Getting the Right Balance, by M.R. Mathews.
- 1985 No. 31 Investment Decisions in British Manufacturing, by K.F. Alam.
- No. 32 Watts and Zimmerman's "Market for Accounting Theories": A Critique Based on Ronen's Concept of the Dual Role of Accounting, by L.W. Ng.
- No. 33 Current Cost Accounting in New Zealand, (An Analysis of the Response to CCA-1), by A.F. Cameron and C.T. Heazlewood.
- No. 34 Company Taxation and the Raising of Corporate Finance, by K.F. Alam.
- No. 35 Towards Multiple Justifications for Social Accounting and Strategies for Acceptance, by M.R. Mathews.
- No. 36 Accountancy Qualifications for 2000 AD" A Black Belt in Origami?, by P.R. Cummins and B.R. Wilson.
- No. 37 Taxation and Company Financial Policy, by K.F. Alam and C.T. Heazlewood.
- No. 38 Rationalism and Relativism in Accounting Research, by C.B. Young.
- No. 39 A Critical Evaluation of Feyerabend's Anarchistic Theory of Knowledge and its Applicability to Accounting Theory and Research, by A.M. Selvaratnam.
- No. 40 Attitudes of British Columbia Accountants Towards The Disclosure of Executory Contracts in Published Accounts, by M.R. Mathews and I.M. Gordon.

- No. 41 Financial Accounting Standards. Development of the Standard Setting Process in the U.S.A. with Some Comments Concerning New Zealand, by G.L. Cleveland.
- 1986 No. 42 Objectives of External Reporting - Fact or Fiction?, by C.B. Young.
- No. 43 Exploring the Philosophical Bases Underlying Social Accounting, by M.R. Mathews.
- No. 44 A Tentative Teaching Programme for Social Accounting, by M.R. Mathews.
- No. 45 Matrix Ledger Systems - MLS A New Way of Book-keeping, by P.R. Cummins.
- No. 46 A Consideration of the Applicability of the Kuhnian Philosophy of Science to the Development of Accounting Thought, by Y.P. Van der Linden.
- No. 47 The Distributable Profit Concept - Let's Reconsider!, by F.S.B. Hamilton.
- No. 48 The Search for Socially Relevant Accounting: Evaluating Educational Programmes, by M.R. Mathews.
- No. 49 Spreadsheet Use by Accountants in the Manawatu, by D.V. Coy.
- No. 50 The Implementation of Decision Support Systems - A Literature Survey and Analysis, by M.J. Pratt.
- No. 51 What are Decision Support Systems?, by M.J. Pratt.
- No. 52 British Small Business Aid Schemes - any Lessons for New Zealand?, by A.F. Cameron.
- No. 53 Heuristics and Accounting: An Initial Investigation, by M.E. Sutton.
- No. 54 Can Feedback Improve Judgement Accuracy in Financial Decision- Making?, by K.G. Smith.
- No. 55 The Impacts of Budgetary Systems on Managerial Behaviour and Attitudes: A review of the literature, by K.G. Smith.
- 1987 No. 56 Shareholders of New Zealand Public Companies: Who Are They?, by C.B. Young.
- No. 57 Objectives of External Reporting: A Review of the Past; A Suggested Focus for the Future, by Y.P. Van der Linden.
- No. 58 An Investigation into Students' Motivations for Selecting Accounting as a Career, by Y.P. Van der Linden.
- No. 59 The Interrelationship of Culture and Accounting with Particular Reference to Social Accounting, by M.B.H. Perera and M.R. Mathews.
- No. 60 Doctoring Value Added Reports: A Shot in the Arm - Or Head?, by P.R. Cummins.
- No. 61 School Qualifications and Student Performance in First Year University Accounting, by K.C. Hooper.
- No. 62 Social Disclosures and Information Content in Accounting Reports, by M.R. Mathews.
- 1988 No. 63 Computers in Accounting Education: A Literature Review, by D.V. Coy.
- No. 64 Social Accounting Models - Potential Applications of Reformist Proposals, by M.R. Mathews.

- No. 65 Accounting in Developing Countries: A Case for Localised Uniformity, by M.H.B. Perera.
- No. 66 A Reconsideration of the Accounting Treatments of Executory Contracts and Contingent Liabilities, by C. Durden.
- No. 67 A Financial Planning Model for School Districts in the United States - A Literature Survey, by L.M. Graff.
- No. 68 Social Accounting and the Development of Accounting Education, by M.R. Mathews.
- No. 69 A Computerised Model for Academic Staff Workload Planning and Allocation in University Teaching Departments, by M.J. Pratt.
- No. 70 Is the Discipline of Accounting Socially Constructive?, by M. Kelly.
- No. 71 A Model Programme for the Transition to New Financial Reporting Standards for New Zealand Public Sector Organisations, by K.A. Van Peursesem.
- No. 72 The Audit Expectation Gap, by B.A. Porter.
- No. 73 Insider Trading, by L.W. Ng.
- No. 74 An Analysis of Extramural Student Failure in First Year Accounting at Massey University, by K. Hooper.
- No. 75 Tomkins and Groves Revisited, by M. Kelly.
- No. 76 Lakatos' Methodology of Research Programmes and its Applicability to Accounting, by F. Chua.
- No. 77 Minding the Basics - Or - We Were Hired to Teach Weren't We?, by R.A. Emery and R.M. Garner.
- No. 78 The Evolution and Future Development of Management Accounting, by M. Kelly.
- No. 79 "Marketing Accountant" the Emerging Resource Person within the Accounting Profession, by C. Durden.
- 1989 No. 80 The Legal Liability of Auditors in New Zealand, by M.J. Pratt.
- No. 81 Applying Expert Systems to Accountancy - An Introduction, by C. Young.
- No. 82 Investment and Financing Decisions within Business: The Search for Descriptive Reality, by D. Harvey.
- No. 83 The Functions of Accounting in the East European Nations, by A.A. Jaruga, University of Lodz, Poland.
- No. 84 Governmental Accounting and Auditing in East European Nations, by A.A. Jaruga, University of Lodz, Poland.
- No. 85 The Collapse of the Manawatu Consumers' Co-op - A Case Study, by D.V. Coy and L.W. Ng.
- No. 86 Management Accounting: Purposes and Approaches, by M. Kelly.
- No. 87 Issues in Accountancy Education for the Adult Learner, by K. Van Peursesem.
- No. 88 An Argument for Case Research, by R. Ratliff.

- No. 89 Cost Determination and Cost Recovery Pricing in Nonbusiness Situations: The Case of University Research Projects, by K. Dixon.
- No. 90 Chartered Accountants in the New Zealand Public Sector: Population, Education and Training, and Related Matters, by K. Dixon.
- No. 91 An Analysis of the Work and Educational Requirements of Accountants in Public Practice in New Zealand, by M. Kelly.
- No. 92 The Development of Corporate Accountability, and The Role of the External Auditor, by B.A. Porter.
- No. 93 Taxation as a Social Phenomenon: An Historical Analysis, by K. Hooper.
- No. 94 The Financial Accounting Standard Setting Process: An Agency Theory Perspective, by G. Tower and M. Kelly.
- No. 95 Creative Accounting, by L.W. Ng.
- No. 96 Closer Economic Relation (CER) Agreement Between New Zealand and Australia: A Catalyst for a new International Accounting Force, by G. Tower and M.H.B. Perera.
- No. 97 Recent Trends in Public Sector Accounting Education in New Zealand, by K. Dixon.
- No. 98 A Case for Taxing Wealth in New Zealand, by K. Hooper.
- No. 99 Exploring the Reasons for Drop-out from First Level Accounting Distance Education at Massey University, by K. Hooper.
- No. 100 Theory Closure in Accounting Revisited, by A. Rahman.
- 1990 No. 101 Going Concern - A Comparative Study of the Guidelines in Australia, Canada, United States, United Kingdom and New Zealand with an Emphasis on AG 13, by L.W. Ng.
- No. 102 A Unique Experience in Combining Academic and Professional Accounting Education: The New Zealand Case, by M.R. Mathews and M.H.B. Perera.
- No. 103 Some Thoughts on Accounting and Accountability: A Management Accounting Perspective, by M. Kelly.
- No. 104 Externalities: One of the Most Difficult Aspects of Social Accounting, by F.C. Chua.
- No. 105 A Definition for Public Sector Accountability, by K.A. Van Peurse.
- No. 106 The Finance Function in Local Councils in New Zealand: An Exploratory Study, by K. Dixon.
- No. 107 Professional Ethics, Public Confidence and Accounting Education, by F.C. Chua and M.R. Mathews.
- No. 108 The Disclosure of Liabilities: The Case of Frequent Flyer Programmes, by S.T. Tooley and M.R. Mathews.
- No. 109 Internal Audit of Foreign Exchange Operations, by C.M.H. Mathews.
- No. 110 The Influence of Constituency Input on the Standard Setting Process in Australia, by S. Velayutham.
- No. 111 Public Sector Professional Accounting Standards: A Comparative Study, by K.A. Van Peurse.

- 1991 No. 112 The Distribution of Academic Staff Salary Expenditure Within a New Zealand University: A Variance Analysis, by D.V. Coy.
- No. 113 Trends in External Reporting by New Zealand Universities (1985-1989): Some Preliminary Evidence, by G. Tower, D. Coy and K. Dixon.
- No. 114 The Finance Function in English District Health Authorities: An Exploratory Study, by K. Dixon.
- No. 115 Accounting Regulatory Design: A New Zealand Perspective, by G.D. Tower, M.H.B. Perera and A.R. Rahman.
- No. 116 Ethics Education in Accounting: An Australasian Perspective, by F.C. Chua, M.H.B. Perera and M.R. Mathews.
- No. 117 The Politics of Standard Setting: The Case of the Investment Property Standard in New Zealand, by A.R. Rahman, L.W. Ng and G.D. Tower.
- No. 118 Towards an Accounting Regulatory Union Between New Zealand and Australia, by A.R. Rahman, M.H.B. Perera and G.D. Tower.
- No. 119 The Audit Expectation-Performance Gap in New Zealand - An Empirical Investigation, by B.A. Porter.
- No. 120 Behind the Scenes of Setting Accounting Standards in New Zealand, by B.A. Porter.
- 1992 No. 121 The Accounting Implications of the New Zealand Resource Management Act 1991, by L.E. Tozer.
- No. 122 Trends in Annual Reporting by Tertiary Education Institutions: An Analysis of Annual Reports for 1985 to 1990, by K. Dixon, D.V. Coy and G.D. Tower.
- No. 123 An Investigation of External Auditors' Role as Society's Corporate Watchdogs?, by B.A. Porter.
- No. 124 Spreadsheet Use by Accountants in the Manawatu in 1991: Preliminary Comparisons with a 1986 Study, by W. O'Grady and D. Coy.
- No. 125 An Appraisal of the United States Accounting Education Change Commission Programme 1989-1991, by M.R. Mathews.
- No. 126 The Finance Function in Healthcare Organisations: A Preliminary Survey of New Zealand Area Health Boards, by K. Dixon.
- No. 127 Participative Budgeting and Motivation: A Comparative Analysis of Two Alternative Structural Frameworks, by M. Lal and G.D. Smith.
- No. 128 The Propensity of Managers to Create Budgetary Slack: Some New Zealand Evidence, by M. Lal and G.D. Smith.
- No. 129 Identifying the Subject Matter of International Accounting: A Co-Citational Analysis, by J. Locke.
- 1993 No. 130 Socio-Economic Accounting: In Search of Effectiveness, by S.T. Tooley.
- No. 131 Employee Reporting: A Survey of New Zealand Companies, by F.C. Chua.
- No. 132 Brand Valuation: The Main Issues Reviewed, by A.R. Unruh and M.R. Mathews.
- No. 133 Taxation as an Instrument to Control/Prevent Environmental Abuse, by G. Van Meer.



- No. 134 An International Comparison of the Development and Role of Audit Committees in the Private Corporate Sector, by B.A. Porter and P.J. Gendall.
- No. 135 The Reactions of Academic Administrators to the United States Accounting Education Change Commission 1989-1992, by M.R. Mathews, B.P. Budge and R.D. Evans.
- No. 136 Measuring the Understandability of Corporate Communication: A New Zealand Perspective, by B. Jackson.
- No. 137 Financial Reporting Standards and the New Zealand Life Insurance Industry: Issues and Prospects, by M. Adams.
- No. 138 Voluntary Disclosure in the Annual Reports of New Zealand Companies, by M. Hossain, M.H.B. Perera and A.R. Rahman.
- No. 139 An Analysis of the Contemporaneous Movement Between Cash Flow and Accruals-based Performance Numbers: The New Zealand Evidence - 1971-1991, by J. Dowds.
- No. 140 Balance Sheet Structure and the Managerial Discretion Hypothesis: An Exploratory Empirical Study of New Zealand Life Insurance Companies, by M. Adams.
- No. 141 Accounting Information Systems Course Curriculum: An Empirical Study of the Views of New Zealand Academics and Practitioners, by G. Van Meer.
- 1994 No. 142 Auditors' Responsibility to Detect and Report Corporate Fraud: A Comparative Historical and International Study, by B.A. Porter.
- No. 143 Voluntary Disclosure in an Emerging Capital Market: Some Empirical Evidence from Companies Listed on the Kuala Lumpur Stock Exchange, by M. Hossain, L.M. Tan and M. Adams.
- No. 144 Organizational Form and Discretionary Disclosure by New Zealand Life Insurance Companies: A Classification Study, by M. Adams and M. Hossain.
- No. 145 Annual Reporting by Tertiary Education Institutions in New Zealand: Events and Experiences According to Report Preparers, by D. Coy, K. Dixon and G. Tower.
- No. 146 The Effectiveness of New Zealand Tax Simplification Initiatives: Preliminary Evidence from a Survey of Tax Practitioners, by L.M. Tan and S. Tooley.
- No. 147 Introducing Accounting Education Change: A Case of First-Year Accounting, by L. Bauer, J. Locke and W. O'Grady.
- No. 148 Environmental Auditing in New Zealand: Profile of an Industry, by L.E. Tozer and M.R. Mathews.
- No. 149 An Empirical Study of Voluntary Financial Disclosure by Australian Listed Companies, by M. Hossain and M. Adams.
- No. 150 The Accounting Education Change Commission Grants Programme and Curriculum Theory, by M.R. Mathews.
- No. 151 Societal Accounting: A Forest View, by L. Bauer.
- No. 152 Psychic Distance and Budget Control of Foreign Subsidiaries, by L.G. Hassel.
- No. 153 Corporatisation of Professional Practice: The End of Professional Self-Regulation in Accounting?, by S. Velayutham.

- No. 154 The Institute of Chartered Accountants of New Zealand: Emergence of an Occupational Franchisor, by S. Velayutham.
- No. 155 An Analysis of Accounting-Related Choice Decisions in the Life Insurance Firm, by M.A. Adams and S. Cahan.
- 1995 No. 156 The Context in Which Accounting Functions Within the New Zealand Hospital System, by K. Dixon.
- No. 157 Regional Accounting Harmonisation: A Comparative Study of the Disclosure and Measurement Regulations of Australia and New Zealand, by A. Rahman, H. Perera and S. Ganeshanandam.
- No. 158 Determinants of Voluntary Disclosure by New Zealand Life Insurance Companies: Field Evidence, by M. Adams.
- No. 159 Securing Quality Audit(or)s: Attempts at Finding a Solution in the United States, United Kingdom, Canada and New Zealand, by B.A. Porter.
- No. 160 The Annual Reports of New Zealand's Tertiary Education Institutions 1985-1994: A Review, by G. Tower, D. Coy and K. Dixon.
- No. 161 Perceptions of Ethical Conduct Among Australasian Accounting Academics, by G.E. Holley and M.R. Mathews.
- No. 162 An Interpretation of Accounting in Hospitals, by K. Dixon.
- No. 163 Qualitative Research in Accounting: Lessons from the Field, by K. Dixon.
- 1996 No. 164 Economic Determinants of Board Characteristics: An Empirical Study of Initial Public Offering Firms, by Y.T. Mak and M.L. Roush.
- No. 165 The Practical Roles of Accounting in the New Zealand Hospital System Reforms 1984-1994: An Interpretive Theory, by K. Dixon.
- 1997 No. 166 An Exploratory Investigation into the Delivery of Services by a Provincial Office of the New Zealand Inland Revenue Department, by S. Tooley and C. Chin-Fatt.
- No. 167 Instructional Approaches and Obsolescence in Continuing Professional Education (CPE) in Accounting - Some New Zealand Evidence, by A.R. Rahman and S. Velayutham.
- No. 168 Dividend Imputation in the Context of Globalisation: Extension of the New Zealand Foreign Investor Tax Credit Regime to Non-resident Direct Investors, by B. Wilkinson.
- 1998 No. 169 Public Sector Auditing in New Zealand: A Decade of Change, by L.E. Tozer and F.S.B. Hamilton.
- No. 170 Copyright Law and Distance Education in New Zealand: An Uneasy Partnership, by S. French.
- No. 171 Curriculum Evaluation and Design: An Application of an Education Theory to an Accounting Programme in Tonga, by S.K. Naulivou, M.R. Mathews and J. Locke.
- No. 172 "Fair Value" of Shares: A Review of Recent Case Law, by M.A. Berkahn.
- No. 173 Mapping the Intellectual Structure of International Accounting, by J. Locke and M.H.B. Perera.
- No. 174 Social Accounting Revisited: An Extension of Previous Proposals, by M.R. Mathews.

- No. 175 The Environmental Consciousness of Accountants: Environmental Worldviews, Beliefs and Pro-environmental Behaviours, by D Keene.
- No. 176 Tax Paying Behaviour and Dividend Imputation: The Effect of Foreign and Domestic Ownership on Average Effective Tax Rates, by B R Wilkinson and S F Cahan.
- No. 177 Material Accounting Harmonisation, Accounting Regulation and Firm Characteristics. A Comparative Study of Australia and New Zealand, by A.R. Rahman, M.H.B. Perera and S. Ganesh.
- No. 178 Types of Advice from Tax Practitioners: A Preliminary Examination of Taxpayer's Preferences by L.M. Tan.
- No. 179 Environmental Accounting Education: Some Thoughts by J.A. Lockhart and M.R. Mathews.
- No. 180 Accounting to the Wider Society: Towards a Mega-Accounting Model by M.R. Mathews.
- No. 181 The Investment Opportunity Set and Voluntary Use of Outside Directors: Some New Zealand Evidence by M. Hossain and S.F. Cahan.
- No. 182 Are Oligopolies Anticompetitive? Competition Law and Concentrated Markets by M.A. Berkahn.
- No. 183 Ethics and Accounting Education by K.F. Alam.
- No. 184 An Investigation into the Ethical Decision Making of Accountants in Different Areas of Employment by D. Keene.
- No. 185 Structural and Administrative Reform of New Zealand's Education System: Its Underlying Theory and Implications for Accounting by S. Tooley.
- No. 186 Liquidity and Interest Rate Risk in New Zealand Banks by D.W. Tripe and L. Tozer
- 1999 No. 187 Cultural Relativity of Accounting for Sustainability: A research note by M.A. Reynolds and M.R. Mathews.
- No. 188 The Impact of Tax Knowledge on the Perceptions of Tax Fairness and Tax Compliance Attitudes Towards Taxation: An Exploratory Study by L.M. Tan and C.P. Chin-Fatt.
- No. 189 Good Faith and Fair Dealing by C.J. Walshaw.
- No. 190 New Public Management and Change Within New Zealand's Education System: An Informed Critical Theory Perspective by S. Tooley.
- No. 191 The Role of History: Challenges for Accounting Educators by F.C. Chua.
- No. 192 Corporate Communication: An Alternative Basis for the Construction of a Conceptual Framework Incorporating Financial Reporting by A.W. Higson
- No. 193 Bias in the Financial Statements – Implications for the External Auditor: Some U.K. Empirical Evidence by A.W. Higson.
- No. 194 The Environment and the Accountant as Ethical Actor by M.A. Reynolds and M.R. Mathews.
- No. 195 Internal Environmental Auditing in Australia: A Survey by C.M.H. Mathews and M.R. Mathews.

- No. 196 Conceptualising the Nature of Accounting Practice: A Pre-requisite for Understanding the Gaps between Accounting Research, Education and Practice by S. Velayutham and F.C.Chua.
- No. 197 The Annual Report: An Exercise in Ignorance? By L.L. Simpson.
- No. 198 Delegated Financial Management Within New Zealand Schools: Disclosures of Performance and Condition by S. Tooley.
- 2000 No. 199 Potentially Dysfunctional Impacts of Harmonising Accounting Standards: The Case of Intangible Assets by M.R. Mathews and A.W. Higson.
- No. 200 The Value Added Statement: Bastion of Social Reporting or Dinosaur of Financial Reporting? by C.J. van Staden
- No. 201 Resource Consents – Intangible Fixed Assets? Yes ... But Too Difficult By Far!! by L.C. Hawkes and L.E. Tozer

# Resource consents - intangible fixed assets? Yes, but, too difficult by far!

Hawkes, L. C.

2000

---

<http://hdl.handle.net/10179/2544>

20/01/2020 - Downloaded from MASSEY RESEARCH ONLINE