

# Submission on Draft Liability Allocation Determination under sections 84 and 85 of the Telecommunications Act 2001 for 1 July 2016 to 30 June 2017, dated 26 October 2017

9 November 2017



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## SUBMISSION

1. Thank you for the opportunity to comment on the Commission's draft liability allocation determination for the Telecommunications Development Levy for 1 July 2016 to 30 June 2017 (**draft LAD**).
2. The Commission's methodology and approach to this year's draft LAD is similar to its approach to the FY15/16 LAD, subject to a few additions to reflect the effect of the NZ IFRS 15 accounting standard on Qualifying Liabile Persons (**QLPs**).
3. We support the Commission's recognition of the NZ IFRS 15 accounting standard and its intention to consult separately on the broader impact the new standard may have on the TDL methodology. We are interested in knowing how the Commission plans to deal with QLPs adopting the new standard at different times. Given that some QLPs may adopt the new standard early, we suggest the Commission consult on the new standard before the end of FY17/18.
4. We continue to support the Commission's compliance review which includes checking the calculations of QLPs for compliance with the qualified revenue notice, and adjusting qualified revenues according to its findings.
5. Please don't hesitate to contact us if you would like any further thoughts or comments on the draft LAD.