

### 3.5 Interest expense

#### Borrowing costs

##### Benchmark treatment – borrowing costs expensed

NZ IAS 23.9 The financial statements shall disclose the accounting policy adopted for borrowing costs.



##### Allowed alternative treatment – borrowing costs capitalised

NZ IAS 23.29 The financial statements shall disclose:

- (a) the accounting policy adopted for borrowing costs;
- (b) the amount of borrowing costs capitalised during the period; and
- (c) the capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation.

