

August 2020

## Keeping you informed and up to date in the world of corporate reporting

This newsletter focuses on changes and developments in financial reporting, business reporting and business governance – which are included in this newsletter as they become available.

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### Financial Reporting

#### Amendments to the accounting standards

The New Zealand Accounting Standards Board has approved the following standards:

- **Going Concern Disclosures (Amendments to FRS-44, New Zealand Additional Disclosures and PBE IPSAS 1, Presentation of Financial Statements):** Introduces more specific going concern disclosures in circumstances where an entity's going concern assessment has involved significant judgement and/or the consideration of material uncertainties. The amendments are effective for annual periods ending on or after 30 September 2020. Earlier application is permitted.
- **2020 Amendments to PBE FRS 48, Service Performance Reporting:** Deferral of effective date to 1 January 2022. Some minor amendments are also made.
- **Amendments to NZ IFRS 17, Insurance Contracts:** Comprises of equivalent amendments made to IFRS 17, *Insurance Contracts*.
- **Extension of the Temporary Exemption from Applying NZ IFRS 9, Financial Instruments:** Amends NZ IFRS 4, *Insurance Contracts* to extend the exemption for issuers of insurance contracts from applying NZ IFRS 9.
- **Amendments to PBE IFRS 17, Insurance Contracts:** Incorporates IFRS 17 amendments into PBE IFRS 17.
- **Classification of Liabilities as Current or Non-current:** Deferral of effective date for the amendments issued in April 2020 to NZ IAS 1 by one year i.e. to 1 January 2023.

Find out more [here](#).

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#### IFRS 17 Publication

Access [KPMG's publication on IFRS 17, Insurance contracts](#) which offers a detailed analysis and insights on the amended standard, and discusses how it may affect insurers' financial statements.

Further access this [IFRS 17 webcast](#) which provides an overview of the amendments to IFRS 17 made by the Board in June 2020.

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#### UK regulator publishes thematic review of companies' disclosures

The UK's Financial Reporting Council (FRC) has published a [thematic review](#) of company disclosures related to COVID-19 which highlights the examples of best practices and opportunities for improvement. Although it is a UK review, it could be useful for NZ disclosures as well.

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#### Implementation of NZ IFRS 16 Leases

Read External Reporting Board's article in collaboration with IoD which discusses how the new lease requirements would improve financial reporting.

Access the [article here](#) which also includes a guide to "Achieving greater transparency: Important changes to lessee accounting".

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#### Webinar - COVID-19: The Implications for Financial Reporting and Audit in the Public Sector

Access this [webinar](#) which discusses the significant implications of the pandemic crisis and economic recovery for financial reporting and audit issues for the New Zealand Public Sector. This webinar was hosted jointly by the XRB and the Centre for Accounting, Governance and Taxation Research at Victoria University of Wellington.

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### Business Reporting

#### Guidance for organisations requested to provide information under the Climate Change Response (Zero Carbon) Amendment Act 2019

Read this [guidance](#) on which organisations would be required to report climate change information and covers questions related to the details of information that will be requested, how will this reporting differ from the proposed mandatory climate-related financial disclosures etc.

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### Business Governance

#### Climate change – time for no regrets

Institute of Directors' (IoD) article by KPMG outlines how COVID-19 presents the opportunity for a climate and sustainability reset. It discusses the climate change and resilience and focus on actions.

Find out more in this [article](#).



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