



Reporting News

October 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.

Financial Reporting

KPMG's essential guides to annual reporting under IFRS (equivalent to NZ IFRS)

Access KPMG's 2020 guides to annual financial statements comprising [Illustrative disclosures](#) and a [Disclosure checklist](#) and a [COVID-19 supplement](#) that highlights the disclosures that companies may need to provide on accounting issues arising from the COVID-19 coronavirus pandemic.

Read this [article](#) for more information.

Insurance – Updated illustrative disclosures

Access KPMG's [guide](#) for insurers to reflect the June 2020 amendments to IFRS 17 Insurance Contracts and other developments.

This guide illustrates a format for financial statements when IFRS 17 and IFRS 9 Financial Instruments are applied for the first time for an annual period beginning on 1 January 2023. Find out more [here](#).

Service Performance Reporting

[PBE FRS 48 Service Performance Reporting](#) has had its effective date deferred by one year and is now mandatory for reporting periods beginning on or after 1 January 2022.

The standard applies to Tier 1 and 2 **not-for-profit** public benefit entities. We note that Tier 1 and 2 **public sector** public benefit entities required by legislation to provide information in respect of service performance do so in accordance with generally accepted accounting practice (GAAP). If an entity is required by legislation to report service performance information on only some of its activities, this Standard applies only to those activities.

We advise that entities should start to consider the application of this standard over the next few months as there are no first-year exemptions from comparatives. For entities with a December 31 balance date this means that 2021 is their comparative year.

A beginner's guide to PBE FRS 48 disclosure requirements:

- Disclosure of contextual information to understand:
 - Why an entity exists
 - What it intends to achieve
 - How it goes about meeting its objectives
- Disclosure of what the entity has done this reporting period to meet its aims and objectives.

Think about:

- What is our story? What are we trying to achieve and why?
- How can we tell our story with a balanced approach?
- How can we illustrate what we have achieved this period?
- What performance measures can we use to illustrate how we succeeded or not?

KPMG is working on how we can assist our clients – contact Jodie Newth jnewth@kpmg.co.nz.

Compilation of agenda decisions published by IFRS Interpretation Committee (IFRS IC)

Access this [compilation of agenda decisions](#) published by the IFRS IC from April 2020 to September 2020. These decisions relate to IFRS 16 Leases, IAS 12 Income Taxes and IAS 38 Intangible Assets.

Business Reporting

Measuring Stakeholder Capitalism: Towards Common Metrics and consistent Reporting of Sustainable Value Creation

A recommended set of environmental, social and governance (ESG) metrics was published by a task force led by the World Economic Forum's International Business Council in collaboration with the big-4 accounting organisations.

Access this white paper [here](#).

NZX Listing Rules 2020

NZX listing rules have been amended to reflect key changes:

- Remove the requirement for PFI information to be included in a Profile; and
- Introduce a framework for NZX Foreign Exempt Issuers applicants, to allow NZX to prescribe the nature and content of Profiles for such applicants, through templates designed on a jurisdictional basis.

These rules are effective from 3 November 2020. Read the amendments [here](#).



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