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Keeping in touch



Welcome to KPMG's Reporting News, a regular summary of publications on reporting matters from KPMG

Reporting News aims to keep you informed about financial reporting developments and includes the following principal newsletters:

- New Zealand Reporting Updates, which focus on the application of IFRS in the New Zealand financial reporting environment, legislative and regulatory changes, and other New Zealand-specific reporting topics.
- International Accounting Updates which includes information from the International Accounting Standards Board (IASB) and International Public Sector Accounting Standards Board (IPSASB); and
- KPMG Web Articles and Publications, which provide timely updates on developments concerning IFRS.

International Accounting Updates

IFRS 17 Insurance Contracts webcast

This [webcast](#) provides an overview of the effect of participation and other features on:

- the measurement of the fulfilment cash flows;
- the contractual service margin; and
- requirements of the variable fee approach.

IAS 32: Financial Instruments with Characteristics of Equity (FICE)

Various webcasts on the IASB discussion paper on FICE are available:

— [Presentation of equity instruments](#)

The webcast covers how companies issuing more than one type of equity instrument should provide information about profits and other comprehensive income, and their distribution among these equity instruments.

— [Classification of compound instruments and redemption obligation arrangements](#)

The discussion is on the Board's preferred approach to classification of compound instruments, such as convertible bonds, and obligations to redeem own equity instruments, for example a written put option on own shares. Different examples are used to illustrate how the classification would be determined.

— [Classification of derivatives on own equity](#)

This discussion provides an overview of how the Board's preferred approach would address the classification of derivatives on own equity.

— [IASB's preferred approach to classification of financial instruments](#)

In this webcast, the Board's preferred approach to classification, presentation and disclosure of financial instruments issued by companies is explained.

Using some examples, the application of the approach to certain non-derivative financial instruments is discussed.

Board member speech: Check the numbers - Accounting information still matters to you, me and investors around the world

Ann Tarca, IASB Board Member gave a speech on the 16th of August 2018 at the University of Western Australia on the relevance of accounting information in today's economy.

The speech can be read [here](#).

Canadian Accounting Standards Board – APM Survey

The Canadian Accounting Standards Board has released this survey to capture feedback on its draft Framework for reporting Alternative Performance Measures.

[This short survey](#) takes less than 8 minutes and is open until the 17th of September 2018.

IPSASB proposes amendments to new financial instruments standard

The IPSASB has published for comment [ED 66 Long-term Interests in Associates and Joint Ventures](#) (Amendments to IPSAS 36) and Prepayment Features with Negative Compensation (Amendments to IPSAS 41).

ED 66 proposes to:

- clarify that IPSAS 41 Financial Instruments, including its impairment requirements, applies to long-term interests in associates and joint ventures to which the equity method is not applied; and
- amend the classification requirements in IPSAS 41 so that particular financial assets with prepayment features that may result in reasonable negative compensation for the early termination of the contract are eligible to be measured at amortised cost or at fair value through surplus or deficit.

Comments due on 22nd of October 2018. However, the NZASB is not seeking feedback on ED 66 because the NZASB is addressing the proposals in ED 66 in another project.

KPMG Web Articles and Publications

IFRS 9 Financial Instruments: Hedge accounting for corporates

This podcast takes you through some of the key issues arising when applying IFRS 9 Financial Instruments to hedge accounting, particularly for corporates.

See the link to the podcast and transcripts [here](#).

Real time IFRS 9: Half-year reporting adds new insights on impairment

Our latest Real-time IFRS 9 blog post covers banks' half-year reports, which have revealed new insights on how banks are implementing IFRS 9's impairment model.

We've looked at three areas in particular:

- criteria for transferring assets between stages of impairment;
- use of forward-looking economic scenarios; and
- sensitivity of banks' expected credit losses.

You can read the blog post [here](#).



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