



Welcome to the June edition of the KPMG New Zealand Alumni News.

Here we have our latest news, publications and events, which we hope will be of interest to you.

New Zealand Budget 2018

New Zealand got its first budget under the new Labour-NZ First Coalition Government on May 17.



KPMG predicted that this year's budget would be a balancing act and from what's been delivered, it's clear that the Government is indeed balancing the wishes of three parties to meet the needs of our changing nation.

We have reviewed some of the key themes delivered in this budget and their significance for NZ businesses and the prosperity of our country.

Tax - the budget mainly reinforces and recognises tax revenue from what has already been enacted or announced (over five years), including reversing personal tax cuts, changes to taxing sale of properties, the proposed return of a R&D tax credit and proposed GST collection on low value imported goods. Click [here](#) for our full tax coverage.

Infrastructure – net capital spending in the next five years is set to be almost triple that of previous years. Spending will be predominantly on transport, housing, regional infrastructure projects and on health and education investments. Click [here](#) for our full infrastructure coverage.

Regional – For national prosperity, we need a strategy that supports regions in the long term for optimum performance socially, environmentally and economically. The main funding for the regions is the Provincial Growth Fund, in the Coalition Agreement between Labour and NZ First. Click [here](#) to read about the priorities in our full regional coverage.

Sustainability – the Budget has been described as the “the greenest budget in living history” by James Shaw (Green Party Co-leader) and includes some bold initiatives by the Government. Click [here](#) for our full sustainability coverage.

This budget is the Government's first step on the path to economic and social transformation that delivers prosperity for all New Zealanders.

Connect with KPMG for a more in-depth discussion.

[Souella Cumming](#)

Head of Consulting, Government & IARCS Advisory Services

[Godfrey Boyce](#)

Chief Executive

Growing Pains

Global CEO Outlook Survey 2018



In 2017, CEOs were excited about the future and opportunities arising from disruption and change. This year, KPMG reached out to 1,300 CEOs of large companies globally (including 50 leading NZ CEOs) to find that the optimism hasn't faded.

Business leaders continue to have great faith in the national and global economic environments.

However, this optimism does not come without caution and realism, with a clear recognition that in order to grow, businesses will need to respond to the complex challenges they face and experience the 'growing pains'.

Read our fourth annual Global CEO Outlook [here](#) for a look into global perspectives.

Tomorrow's experience, today.



Those that know the most about their customers and harness this knowledge, achieve the greatest success.

So how do customers feel about the experience they are getting from their brands? And what steps are companies taking to ensure they are able to continue to meet customer expectations while also delivering value for shareholders?

KPMG International surveyed almost 55,000 customers across 14 countries to find out.

Click [here](#) for insights into what customers expect from their next experience and how you can deliver it.

KPMG Agribusiness Agenda 2018: We need to tell you our stories



This year's Agribusiness Agenda calls on the sector to tell honest stories relating to how products are grown, processed and distributed, to highlight the many positive attributes inherent in the products we deliver to the world.

The agri-food sector needs to act now to ensure the world starts hearing the great stories we have to tell. To read our stories, you can find the full agenda [here](#).

The Big Hoot - \$383,000 raised at auction!



On 29 May, KPMG's Full Moon Ruru and 48 other individually designed owls were auctioned at an exciting event with all proceeds going to Child Cancer Foundation.



With winning bids ranging from \$3,750 to \$17,000, over \$380,000 was raised for Child Cancer Foundation. Lucky lot number 13, KPMG's Full Moon Ruru is going to a new home after being sold for \$7,250!

KPMG is also donating \$3,000 directly to Child Cancer Foundation from fundraising during the Big Hoot campaign.

Techweek gives back



The proceeds from the ANZ and KPMG Techweek Techhie Brekkie held in May were donated to True Colours; a Waikato based charity-supporting children with serious illnesses and their families.

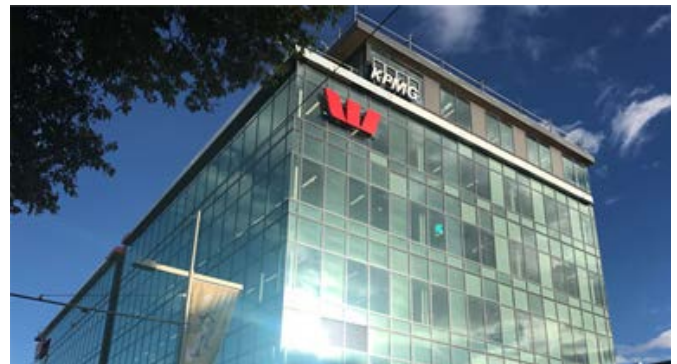
Stephen Parkinson (right) accepted \$700 on behalf of the charity – pictured with Lauder Erasmus (KPMG Partner) and James Hancox (Relationship Manager at ANZ).

Walking in your shoes

The best way to truly understand your clients is to walk in their shoes! James Ikonen (Head of Business Development) and Matt Diprose (Audit Partner) walked this talk by spending a morning milking cows in the Waikato. James and Matt are currently working on a milk-processing project and wanted to understand the process right from behind the farm gate.



Our Christchurch office has moved!



After nine years, the KPMG Christchurch team has moved offices, putting them in the heart of the redeveloped Christchurch CBD.

You can find us at –



Level 5, The Terrace
79 Cashel Street
Christchurch

THANK YOU from Hamilton Zoo!

The KPMG Hamilton Enterprise team used their volunteer day to go and assist at Hamilton Zoo.



The team got a lovely thank you from the Zoo:

"Just wanted to say a big thank you to the KPMG team that came out and made a big difference here at the Zoo last week. We really appreciated all the work/tasks that you were able to achieve. "

Tax

New Zealand's new Customs Act: is this new act just a recipe for disaster? KPMG looks into the upcoming changes to New Zealand's customs law, expected to be in force from 1 October 2018. Click [here](#) to read what is changing and what it means.

BEPS Bill and MLI Update: the Taxation Bill has been reported back from the Finance and Expenditure Committee of Parliament along with The Officials' Report on submissions. KPMG has put together an update highlighting key topics [here](#). For more details on the original proposal, read KPMG's submission [here](#).

Reminder: KPMG Practical Tax Series 2018

The third seminar in our practical tax series, '2018 Budget and tax update' is coming up!

Topics covered include the 2018 Budget, Tax Working Group and Government tax policies as well as a tax update.

You can still register using the links below.

Auckland [26-Jun](#)

Wellington [29-Jun](#)

Hamilton [28-Jun](#)

Tauranga [27-Jun](#)

CPD - each seminar counts for 2.5 CPD hours.

For general queries about the 2018 tax seminar series please contact Lisa Muir at lisamuir@kpmg.co.nz or (09) 367 5968.

Reporting Updates

Amongst the topics covered in this issue – we look into NZASB's amendments to the scope of FRS 42 *Prospective Financial Statements* in our NZ reporting update. In international accounting updates, you can find an overview of the Exposure Draft of Accounting Policy Changes covering IAS 8. We also look at IFRS 17 *Insurance*, IFRS 16 *Leases*, IFRS 9 *Financial Instruments* and IFRS 15 *Revenue*. For details, [click here](#).

We value your connection with us and invite you to visit our Alumni website periodically to stay abreast of all the latest news and happenings at KPMG New Zealand. Please reach out to us if you would like additional information regarding any of the above topics.



Aaron Woolsey

KPMG NZ Alumni Partner

kpmg.com/nz/en/home/alumni.html



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