



Reporting News



March 2021

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 Illustrative Financial Statements: Public Benefit Entities (PBE)

KPMG has issued the updated NZ PBE (Tier 1 and 2 including RDR concessions) Illustrative Financial Statements (2020). Access the illustrative financial statements [here](#).

IASB amends IFRS Standards to improve accounting policy disclosures and clarify distinction between accounting policies and accounting estimates

The International Accounting Standards Board (Board) has issued amendments to:

- IAS 1 *Presentation of Financial Statements*; requiring companies to disclose their material accounting policy information instead of significant accounting policies; and
- IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* explaining how to distinguish changes in accounting policies from changes in accounting estimates.

These amendments will be effective for annual reporting periods beginning on or after 1 January 2023, with early application permitted. Access the amendments to [NZ IAS 1](#) and [NZ IAS 8](#).

IFRS Interpretations Committee (IFRIC) agenda decisions

IFRIC has recently issued one final agenda decision relating to Configuration or Customisation Costs in a Cloud Computing Arrangement.

The Committee decision addressed the accounting for implementation costs when a company's cloud computing arrangement is a service contract rather than a software purchase. Please watch this [video](#) for more information. You can find IFRIC agenda decision [here](#).

IFRS today podcast – Mergers and acquisition – Buying a business

As the world begins to emerge from the COVID-19 pandemic, merger and acquisition (M&A) activity is on the rise.

Listen to this KPMG's [podcast](#) where Andrea Schriber and Julia LaPointe look at the relevant IFRS Standards, including IFRS 3 Business Combinations, and address the key points that companies should consider in accounting for any acquisition.

IFRS 16 – Rent concessions – Extension of lessee relief agreed

The International Accounting Standards Board (the Board) agreed at its meeting on 10 March to amend IFRS 16 Leases to allow a one-year extension to the practical expedient available to lessees when accounting for COVID-19-related rent concessions. Find out more in this [article](#).

Business Reporting

Unifying sustainability reporting

The IFRS Foundation Trustees have set out the strategic direction for a new board to develop global sustainability reporting standards. This could signal a new era in corporate reporting where the same rigour is demanded for sustainability reporting as for financial information. Find out more in this [web article](#).

Feedback to sustainability reporting consultation

Read this [article](#) where the trustees of the IFRS foundation discussed the feedback received to their consulting paper on sustainability reporting, strategic direction and further steps.



Simon Lee
Technical Director
KPMG Auckland



Gayani Dias
Director
KPMG Auckland



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KPMG New Zealand:
18 Viaduct Harbour Avenue
PO Box 1584
Auckland 1140
T: +64 9 367 5800

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