

July 2022

Reporting News

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

Welcome to the July edition of Reporting News. Set out below are the latest changes and developments in financial reporting.

Financial Reporting

Post-implementation review of IFRS 10, 11 and 12

The stakeholders identified a number of areas that they found particularly challenging in practice in post implementation of IFRS 10 *Consolidated Financial Statements*, IFRS 11 *Joint Arrangements* and IFRS 12 *Disclosure of Interests in Other Entities*. The International Accounting Standards Board did not assess any of these matters as high priority or medium priority.

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

Earnings per share – IAS 33 handbook

The practical application of NZ IAS 33 can be challenging. KPMG has published the [Earnings per share IAS 33 Handbook](#) that sets out a step-by-step approach and examples taking you from simple basic and diluted earnings per share calculations, through to the challenges of more complex application issues.

Access [here](#) to find out more.

KPMG's video on IFRIC agenda decision – Electronic payments

In the June IFRIC update, the IFRS Interpretation Committee concluded its discussions about the recognition of cash received via electronic transfer system as settlement for a financial asset.

Click [here](#) to watch KPMG's video presented by Brian O'Donovan that explain the conclusion on this IFRIC agenda decision.

Key areas to consider for lessees applying NZ IFRS 16 Leases in years after first-time adoption

The New Zealand External Reporting Board (XRB) has issued guidance on [key areas to consider for lessees applying NZ IFRS 16 in years after first-time adoption](#). It highlights the ongoing requirements of NZ IFRS 16 and includes frequently asked questions.

Approach to oversight of financial statements

The Financial Markets Authority (FMA) recently published its [approach to oversight of financial statements](#). This document provides a summary of the FMA's work in monitoring compliance with financial reporting obligations by FMC reporting entities and registered schemes (regulated entities) from 2022-2025.

IFRS Interpretation Committee's (IFRIC's) final agenda decisions:

Cash Received via Electronic Transfer as Settlement for a Financial Asset

This [IFRIC agenda decision](#) considers whether an entity can derecognise a trade receivable and recognise cash received on the date the cash transfer is initiated, rather than on the date the cash transfer is settled. This decision is still subject to IASB consideration.

Negative Low Emission Vehicle Credits

This [IFRIC agenda decision](#) published in July 2022 discusses whether an entity with negative credits in a vehicle emissions scheme has a present obligation that meets the definition of a liability in IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Special Purpose Acquisition Companies (SPAC): Classification of Public Shares as Financial Liabilities or Equity

The finalised IFRIC agenda decision considers whether a special purpose acquisition company (SPAC) in applying IAS 32 Financial Instruments: Presentation, classifies public shares it issues as financial liabilities or equity instruments.

Read this [IFRIC agenda decision](#) to find out more.

Transfer of Insurance Coverage under a Group of Annuity Contracts

The finalised [IFRIC agenda decision](#) considers for a group of annuity contracts how an entity determines the amount of the contractual service margin (CSM) to recognise in profit or loss in a period because of the transfer of insurance coverage for survival in that period.



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Feedback

If there is anything you would like to see more or less of in these updates, [let us know](#).



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