



Reporting News

June 2023

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

Welcome to the June edition of Reporting News. Set out below are the latest changes and developments in financial reporting, business reporting and business governance.

Financial Reporting

Disclosure of supplier finance arrangements

The International Accounting Standards Board (IASB) issued disclosure requirements to enhance the transparency of supplier finance arrangements impacts on the financial statements. Read the IASB's [article](#) for more information.

Access KPMG's [web article](#) to find out more.

Business Reporting

Sustainability news

MBIE and FMA Consultations on proposed climate-related disclosures (CRD) record-keeping regulations

The Ministry of Business, Innovation and Employment (MBIE) is asking for feedback by 12 July 2023 on [proposed regulations](#) prescribing:

1. record-keeping requirements
2. record-inspection requirements
3. infringement fees for minor offences.

At the same time the Financial Markets Authority (FMA) is asking for feedback by 4 August 2023 on their [proposed guidance](#) on the same topic. The proposed guidance aims to provide practical examples and guidance for CREs to meet their record keeping requirements under the Act and the above proposed regulations and explains how the FMA will apply the law and describes the principles underlying the FMA's approach.

KPMG analysis - insurers and banks climate-related disclosures

KPMG has conducted its inaugural annual benchmarking analysis of climate-related disclosures made by 35 major global *insurers* in their 2022 annual reports, and its 2nd phase of benchmarking analysis of 35 major global *banks*. The report on [banks](#) is an expansion of the 1st phase of analysis and focuses on how the banks' climate-related disclosures align with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). The report on [insurers](#) covers the key findings of the analysis and the challenges global insurers face as they progress under heightened regulation.

Whilst the Aotearoa New Zealand Climate Standards are largely based on the TCFD, there are differences between the standards and the analysis does not cover New Zealand registered banks and insurers. Nevertheless, the key findings highlight the need for transparency in disclosures and provide good insight into the challenges faced globally.

FMA Consultation - Proposed exemptions for Climate Reporting Entities (CREs) in liquidation, receivership, or voluntary administration

The Financial Markets Authority – Te Mana Tātai Hokohoko is considering a class exemption to provide relief from climate reporting duties for CREs that are in liquidation, receivership, or voluntary administration, and for managers that are CREs in respect of registered managed investment schemes in wind-up.

The [Consultation](#) outlines the proposed exemptions. Submissions are due by 20 July 2023.

Science Based Targets initiative (SBTi)

The SBTi has designed a checklist for Small and Medium Sized Enterprises (SMEs) and consultancies that plan to submit targets to SBTi for target validation. The checklist serves as a quick reference to ensure readiness to submit a complete SME submission form to the SBTi.

The checklist can be found on [Science Based Target Initiative](#) and is structured into three parts — SME General Information to ensure eligibility for the target validation service, Target Validation Service Selection to select a service and submit emissions profile in accordance with the GHG Protocol, and contractual and payment information for invoicing purposes.



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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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