

## Reporting News



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:

- *Reporting Updates* published by KPMG New Zealand, 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.
- *In the Headlines* published by the KPMG International Standards Group, which provide timely updates on developments concerning IFRS.

### In the Headlines

#### In the Headlines: Classification of liabilities (2015/03)

This *In the Headlines* considers whether proposed clarifications to IAS 1 regarding classification of liabilities hit the mark. Read our [In the Headlines](#) to find out more.

### IFRS News

#### New revenue standard – Effective date set to be deferred

The mandatory effective date of IFRS 15 Revenue from Contracts with Customers looks set to be deferred by one year to 1 January 2018.

At its April 2015 meeting, the IASB agreed to issue proposals for a one-year deferral from the original effective date of 1 January 2017.

Once published, the proposals will be subject to a comment period of not less than 30 days. Early adoption of the standard will continue to be permitted.

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## Other KPMG Publications

### IFRS Newsletter: IFRS 9 Impairment, Issue 1

To help stakeholders with implementation issues relating the new impairment model the IASB has established the IFRS Transition Resource Group for Impairment of Financial Instruments (the ITG). This IFRS Newsletter highlights the ITG's discussions on the impairment requirements of IFRS 9 *Financial Instruments* at their first meeting in April 2015.

Read issue 1 of our [IFRS Newsletter: IFRS 9 Impairment](#) to find out more.

### IFRS Newsletter: The Bank Statement, Issue 17

This quarter's banking newsletter looks at some of the latest developments over how to implement the new impairment model.

The Basel Committee on Banking Supervision has issued guidance on the way internationally active banks should implement the new requirements. Will these proposals contribute to a consistent interpretation of IFRS 9?

We also introduce a new section to bring you the latest IFRS 9 news each quarter. Other topics this time include the clarified rules on leverage ratios and disclosures of funding valuation adjustments.

Read issue 17 of our [IFRS Newsletter: The Bank Statement](#) to find out more.

### IFRS Newsletter: Financial Instruments, Issue 22

This IFRS Newsletter: *Financial Instruments* highlights the IASB's discussions in March 2015 on its financial instrument project.

Read Issue 22 of our [IFRS Newsletter: Financial Instruments](#) to find out more.

### IFRS Newsletter: Insurance, Issue 44

This newsletter highlights the IASB's discussions in the March 2015 education session on its insurance contracts project.

Read issue 44 of our [IFRS Newsletter: Insurance](#) to find out more.

### IFRS 9 – Our first complete work of interpretative guidance

IFRS 9 (2014) *Financial Instruments* brings fundamental changes to financial instruments accounting. The impact of the new standard is likely to be most significant for financial institutions. For banks in particular, the effects of adoption – and the effort required to adopt – will be especially great. However, businesses in all sectors will need to identify the impact of IFRS 9.

Volume 3 of the 11th edition of *Insights into IFRS* builds on our previous publications to bring you our first complete work of interpretative guidance based on IFRS 9 (2014). This volume contains significant updates to the material already included in chapter 7A of volume 2. Use Volume 3 if you are applying, or thinking of applying, IFRS 9 early.

Please speak to your usual KPMG contact to request a hard copy of this book.

### Revenue for food, drink and consumer goods companies

Now that the IASB and FASB have published a new joint standard on revenue recognition, the real work for companies in the food, drink and consumer goods (FDCG) sector is just beginning.

The impact of the new requirements may be felt across different areas of arrangements with distributors and retailers – e.g. 'slotting fees', trade incentives, warranties, returns and licences.

It is important to assess how your financial reporting, systems and processes will be affected, and to engage with investors and other stakeholders to establish expectations of how your key performance indicators or business practices may change.

We've developed [Accounting for revenue is changing: Impact on food, drink and consumer goods companies](#) to help you think through what the new requirements could mean for your business.

You may also be interested in the more in-depth analysis provided by our publications [Issues In-Depth](#) and [Transition to the new revenue standard](#).

### Revenue for transport companies

Now that the IASB and FASB have published a new joint standard on revenue recognition, the real work for companies in the transport sector is just beginning.

The impacts of the new requirements may be felt in areas such as loyalty programmes, ticket breakage, rebates, freight and shipping, and new disclosures.

It is important to assess how your financial reporting, systems and processes will be affected, and to engage with your stakeholders to establish expectations of how your key performance indicators or business practices may change.

Following calls for more time to implement the new requirements, it seems likely that the effective date will be deferred to January 2018. With that in mind, you may want to consider when and how to transition to the new standard sooner rather than later.

We've developed [Accounting for revenue is changing: Impact on transport companies](#) to help you think through what the new requirements could mean for your business.

You may also be interested in the more in-depth analysis provided by our publications [Issues In-Depth](#) and [Transition to the new revenue standard](#).

### Further information

Please speak to your usual KPMG contact or call any of our offices should you have any questions on the above or if you would like further information on any of the matters discussed in this publication.

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