

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

No In the Headlines this issue.

IFRS News

Business combinations – Is IFRS 3 working as intended?

The IASB has published a [feedback statement](#) on its post-implementation review of IFRS 3 Business Combinations.

The key finding is that many preparers and auditors – including KPMG – have identified several areas of complexity and ambiguity, especially in the accounting for goodwill and intangible assets, and the value of separating out some intangibles. However, some investors and academics have expressed support for the standard's status quo.

As a result, the IASB has added a possible review of accounting for goodwill impairment and intangible assets to its research agenda.

Read our [web article](#) to find out more about the IFRS 3 feedback statement and next steps under consideration by the IASB.

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Revenue – New effective date for IFRS 15 proposed

The IASB has issued its formal proposal to defer the effective date of its new revenue standard IFRS 15 by one year to 1 January 2018. Early adoption would continue to be permitted.

Industries such as telecommunications and software have expressed concerns about the time and effort needed to implement the standard.

In addition, the IASB plans to propose targeted amendments to the standard later this year, to clarify some of its requirements and add new illustrative examples.

In New Zealand, the NZASB is encouraging constituents to comment on the proposals directly to the IASB (with a copy to the NZASB), as the amendments are likely to be adopted as NZ equivalents without further consultation.

Comments are due to the IASB by 3 July 2015.

Click here for the [Exposure Draft](#).

Pensions – Clearer accounting for defined benefit plans

Defined benefit plan accounting under current IFRS lacks clarity in some areas. To address this, the IASB has proposed [targeted amendments](#) to IAS 19 and IFRIC 14. The proposals address two issues:

- determining an entity's right to a refund; and
- accounting for a plan amendment, curtailment or settlement.

Some entities may see major accounting changes in the areas being clarified.

Read our [web article](#) to find out more about the proposals.

In New Zealand, the NZASB is encouraging constituents to comment to the NZASB or IASB on the proposals, as the amendments are likely to be adopted as NZ equivalents without further consultation.

Comments are due to the NZASB by 30 September 2015 and to the IASB by 19 October 2015.

Further information is available from the [XRB website](#).

Other KPMG Publications

IFRS Newsletter: Financial Instruments, Issue 23

This IFRS Newsletter: Financial Instruments highlights the IASB's discussions in May 2015 on its financial instruments projects.

Significant progress was made at the IASB's May meeting, with the Board discussing the future direction of its projects on macro hedge accounting and financial instruments with characteristics of equity.

Read Issue 23 of our [IFRS Newsletter: Financial Instruments](#) to find out more.

IFRS Newsletter: Insurance, Issue 45

This newsletter focuses on this month's discussions on how the general model for insurance contracts may need to be modified for participating contracts.

Read issue 45 of our [IFRS Newsletter: Insurance](#) to find out more.

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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