



IFRS News

September 2022

IFRIC agenda decisions

Companies applying IFRS® Accounting Standards are required to reflect the final agenda decisions made by the IFRS Interpretations Committee (the IFRIC) (and IASB did not object) in their next financial statements. Brian O'Donovan, KPMG partner and IFRIC member, issues regular videos summarising the key points from specific decisions. The most recent IFRIC agenda decisions, accessible through our web page, include:

Final agenda decisions (approved by the Board)

- Transfer of Insurance Coverage under a Group of Annuity Contracts
- Special Purpose Acquisition Companies (SPAC): Classification of Public Shares as Financial Liabilities or Equity
- Negative Low Emission Vehicle Credits

Agenda decisions subject to Board's review

- Cash Received via Electronic Transfer as Settlement for a Financial Asset

Tentative agenda decisions

- Multi-currency Groups of Insurance Contracts
- Lessor Forgiveness of Lease Payments
- Special Purpose Acquisition Companies (SPAC): Accounting for Warrants at Acquisition

The IFRIC Agenda decision relating to Cash Received via Electronic Transfer as Settlement for a Financial Asset is discussed in our latest video and is subject to the International Accounting Standards Board (IASB) not objecting.

Bookmark our IFRIC agenda decisions [web page](#) to keep up to date with our videos and the latest discussions.



Insurers – Reporting now and into 2023

Seven-step action plan to help you prepare

As many insurers prepare for the January 2023 implementation date of IFRS 17 *Insurance Contracts* and IFRS 9 *Financial Instruments*, they should ensure that they communicate the possible impacts of these standards on their financial statements.

Inadequate pre-transition disclosures in insurers' 2022 annual financial statements could send a loud and clear message that they are not ready.

Read our [seven-step action plan](#) to help you prepare for your 2023 interim and annual financial statements now.



Assessing if a contract is onerous

A new step-by-step guide

Some contracts may be loss-making from the outset or become loss-making during their life cycle. There may be various drivers for a loss-making contract, including external factors and a company's own strategy.

Our seven-step [guide](#) sets out a logical approach to accounting for loss-making contracts under IFRS® Accounting Standards.



Global minimum top-up tax under BEPS' 2.0

Are disclosures in 2022 necessary before tax laws are changed?

To address concerns about uneven profit distribution and the tax challenges of the digitalisation of the economy, a global minimum top-up tax ('GloBE') is now expected to apply, following agreement by many jurisdictions globally, to a multinational company whose effective tax rate in a specific jurisdiction is below 15 percent.

Over the coming months, these jurisdictions are expected to amend their local tax laws and once these changes are enacted or substantively enacted, companies may be subject to a top-up tax.

Investors may expect to see disclosures about the potential impacts before the changes to local tax laws are finalised. Therefore, if companies expect GloBE to affect them and that information is relevant to the users of financial statements, then they should consider providing disclosures in both their 2022 interim and annual reports.

Read our [web article](#). For more information about GloBE or assessing the impacts for your organisation, speak to your local KPMG contact.



Insights into IFRS – Your tool for applying IFRS Accounting Standards

Get ahead of the curve

Your corporate reporting is your essential tool for communicating with your stakeholders and conveying how you are adapting to and preparing for the accelerating pace of change. It is those businesses that are getting ahead of the curve – that anticipate and adapt to changes – that continue to earn their stakeholders' trust.

Insights into IFRS can help. Now in its 19th edition, it continues to help readers to embrace change. The information here can give you a fresh perspective on your financial reporting, empowering you to act today and to prepare for tomorrow. To learn more, read our [web article](#).

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And you can download a copy of [Insights into IFRS: An overview](#), which provides a high-level briefing for audit committees and boards.



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