KPMG

IFRS Breaking News

Latest insights on financial reporting in Canada

Accounting

Guides to financial statements | Your essential interim reporting guides

Our 2024 guides to condensed interim financial statements are now available. The guides are intended to help companies prepare and present condensed interim financial statements in accordance with IAS 34 *Interim Financial Reporting*. They comprise Illustrative disclosures and a Disclosure checklist.

These updated guides reflect IFRS® Accounting Standards in issue at March 20, 2024 that are required to be applied by a company with an annual reporting period beginning on January 1, 2024.

In particular, they illustrate amendments to IAS 1 *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants*, as issued in 2020 and 2022.

You can also find out more about interim financial reporting in uncertain times in our article.

Acquiring insurance contracts | Updated talkbook

An organization may acquire rather than issue an insurance contract – e.g. via a transfer, or via a business combination either in the scope of IFRS 3 *Business Combinations* or under common control.

Under IFRS 17 *Insurance Contracts*, an organization now needs to assess all insurance contracts acquired as at their date of acquisition, not their date of inception (or previous modification).

This means that it may need to account for insurance contracts with similar characteristics differently. Further, some acquired contracts may no longer be in the scope of IFRS 17 but in the scope of another accounting standard – e.g. IFRS 9 *Financial Instruments*.

Our updated guide *Acquiring insurance contracts* will help you understand how to account for acquired contracts under IFRS 17 and IFRS 3.

Get the insights

Climate-related commitments | Accounting for net zero

At its March meeting, the IFRS® Interpretations Committee voted to finalize its agenda decision on climate-related commitments – about recognizing a provision for the costs of fulfilling a commitment to reduce or offset greenhouse gas emissions. This case has implications for any company that has made a net-zero or similar commitment.

In the latest *IFRS Today* video, Brian O'Donovan explains what the final version does and doesn't say.

Business combinations and impairment | IASB proposals

Investors are increasingly seeking improved information on acquisitions – referred to as business combinations under IFRS® Accounting Standards. This includes information on the success of the deal and whether the price paid was reasonable. The International Accounting Standards Board (IASB) proposes to enhance disclosures for business combinations.

The IASB also proposes to maintain the impairment-only model for goodwill, with some simplifications made to the impairment test.

Read the article to find out more about the proposals. Organizations need to act now and have their say before July 15, 2024.

Learn more

Back to top

Sustainability reporting

Canadian ESG Reporting update | Webcast replay

With the significant move towards mandatory ESG reporting across the globe, KPMG in Canada recently hosted an ESG reporting update webinar. Our ESG reporting and assurance leaders highlighted key areas of sustainability reporting in the Canadian landscape and discussed the potential implications of the CSSB's proposed sustainability disclosure standards on Canadian organizations.

This session covered:

- An overview of major ESG reporting requirements globally and the potential impact on Canadian organizations
- Spotlight on the first two proposed Canadian Sustainability Disclosure Standards
- What ESG reporting teams, and their stakeholders, should focus on going forward

Watch the replay

Sustainability reporting | SEC climate rule finalized

In the U.S., the Securities and Exchange Commission (SEC) has finalized its highly anticipated climate rule[1] which first applies for certain companies beginning in 2025. Meanwhile, both the ISSB Standards[2] and the ESRSs[3] are now effective for the first wave of companies reporting on 2024 year ends.

The SEC's climate rule requires financial statement disclosures and, in a separate section of the annual report, climate risk disclosures. Scopes 1 and 2 greenhouse gas emissions are required for larger registrants, if material, and will be subject to assurance. KPMG in the US has issued the Top 10 questions on the rule and a Defining Issues summary to answer your questions.

Global companies may be required to apply multiple sustainability reporting frameworks. Read the updated guide to understand some of the key differences and similarities as companies prepare for the new sustainability reporting standards.

Bookmark our Ready for ESG reporting? page to stay up to date on the latest developments transforming the global ESG reporting landscape.

[1]SEC Release Nos. 33-11275; 34-99678 *The Enhancement and Standardization of Climate-Related Disclosures for Investors*, referred to as the SEC climate rule

[2]IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*

[3]European Sustainability Reporting Standards

ISSB Symposium | Podcast

This new podcast provides an overview of themes discussed at the recent IFRS Sustainability Symposium. The event – held in New York on February 22 – was attended by a range of KPMG ESG reporting leaders. Key messages focused on the drive for ISSB adoption globally, equivalence building on the ISSB Standards and decision-useful disclosures for investors.

Listen now

Back to top

Is your company IFRS ready?

Additional insights from KPMG in Canada

Contact our Canadian team

Elliot Marer
Partner – GTA
National Accounting
Advisory Leader
emarer@kpmg.ca
(416) 777-8745

Michael Ort
Partner, Accounting
Advisory Services
mort@kpmg.ca
(416) 224-4108

Cathy Yuan
Partner, Accounting
Advisory Services
cathyyuan@kpmg.ca
(416) 476-2986

Twan Bakker
Partner, Accounting
Advisory Services
twanbakker1@kpmg.ca
(416) 777-3854

Subscribe to receive research and insights from KPMG in Canada