



IFRS Breaking News

Latest insights on financial reporting in Canada



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Accounting

IFRS 18 | How companies communicate financial performance is changing

Responding to investor calls for more relevant information, IFRS 18 *Presentation and Disclosure in Financial Statements* will enable organizations to tell their story better through their financial statements. Investors will also benefit from greater consistency of presentation in the income and cash flow statements, and more disaggregated information.

Under IFRS 18, which is effective from January 1, 2027, organizations' net profit will not change. What will change is how they present their results on the face of the income statement and disclose information in the notes to the financial statements. This includes disclosure of certain 'non-GAAP' measures – management performance measures (MPMs) – which will now form part of the audited financial statements.

Read our web article and high-level guide to help you understand the new accounting standard and assess the impact on your company.

[Learn more](#)

Are you clear on climate reporting? | Climate change resource centre

Climate-related risks and opportunities affect an organization's financial position and performance.

Given the increased focus on climate, we've refreshed our [climate change resource centre](#), which brings together FAQs to help organizations identify the potential financial statement impacts on their business.

Two of the latest additions include our new [net-zero commitments article and talkbook](#) and an [article](#) exploring the impact of climate-related matters on the discount rate used in impairment testing. Our blogs, podcasts and videos explore a range of other issues – including by sector.

Bookmark our [climate change resource centre](#) to stay up to date on the latest climate-related reporting developments.

Insights into IFRS | Latest updates

Insights into IFRS – your tool for applying IFRS® Accounting Standards – has been updated for new guidance on:

- Insurance contracts (see Chapter 8.1); and
- Global minimum top-up tax ('Pillar Two'):
 - Impact on impairment of non-financial assets (see Chapter 3.10);
 - Interim reporting (see Chapter 5.9); and
 - Recharge arrangements (see Chapter 3.13).

The effective date of the update is the same as that for the 20th Edition of Insights – i.e. annual periods beginning on or after January 1, 2023.

How to get your copy of Insights

[Insights into IFRS](#) is available as an e-book on ProView™. Speak to your KPMG advisor to order your copy.

Net-zero commitments | Talkbook on liabilities and disclosures

Many organizations have made 'net-zero' and similar climate-related commitments. Users of the financial statements, regulators and the public are raising questions about the financial reporting impacts of such commitments – in particular when they trigger a liability. Stakeholders are focused on whether organizations are telling a clear and connected net-zero story across different forums and reports, including their financial statements.

Organizations need to assess their plans to meet such commitments and determine the financial reporting impacts for each action under IFRS® Accounting Standards. When determining whether to recognize a liability, organizations need to apply a two-test approach.

Read our article and our talkbook to help with the analysis and tell a connected story.

[Get the insights](#)

Insurers' full-year reporting under IFRS 17 and IFRS 9

In our analysis of the first full-year reports of 53 insurers for the year ended December 31, 2023, we share our key observations on:

- The accounting policies, disclosures and significant judgements applied by insurers under IFRS 17 *Insurance Contracts* and IFRS 9 *Financial Instruments*;
- The impacts of IFRS 17 on key performance indicators (KPIs); and
- Transition to IFRS 17 and IFRS 9.

[Read more](#)

Global minimum top-up tax in financial reports | Your questions answered

Many countries have amended their local laws to introduce a global minimum top-up tax as part of the international tax reform.

As you prepare your financial statements, you may have a number of practical questions. Our [article](#) and accompanying video answer your questions on two key issues:

- Interim reporting; and
- Recharges of Pillar Two taxes.

Read the new guidance in [Insights into IFRS](#)

Financial instruments with characteristics of equity | Comment letter

We've submitted our response to the International Accounting Standards Board's consultation ED/2023/5 *Financial Instruments with Characteristics of Equity – Proposed amendments to IAS 32, IFRS 7 and IAS 1*. To find out more, read our [comment letter](#).

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Sustainability reporting

ISSB | Agenda priorities update

Having published its first two standards¹, the International Sustainability Standards Board (ISSB) has now decided what it will focus on next.

The ISSB has decided to split its time between:

- Supporting implementation of IFRS S1 and S2 (the highest level of focus);
- Enhancing SASB² Standards; and
- New research projects on biodiversity, ecosystems and ecosystem services (BEES) and human capital.

[Find out more](#)

¹ IFRS S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and IFRS S2 *Climate-related Disclosures*
² Sustainability Accounting Standards Board (SASB)

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Is your company IFRS ready?

Additional insights from KPMG in Canada



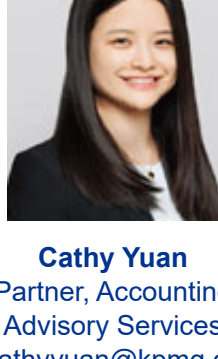
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