View in browser



Accounting

- IFRS 19 | Reducing disclosures for subsidiaries
- Contracts for renewable electricity | IASB proposals
- Net-zero commitments | How to identify a constructive obligation
- Insurance contracts | Real-time IFRS 17

Sustainability reporting

• ISSB Standards and ESRSs | Joint guidance on interoperability

Accounting

IFRS 19 | Reducing disclosures for subsidiaries

Subsidiaries of companies using IFRS® Accounting Standards can substantially reduce their disclosures and focus more on users' needs following the release of IFRS 19 Subsidiaries without Public Accountability: Disclosures by the International Accounting Standards Board (IASB).

IFRS 19 offers eligible subsidiaries a practical way of addressing the problems of overdisclosure while reducing their reporting costs. Eligible subsidiaries can choose to apply the standard for reporting periods beginning on or after January 1, 2027. Earlier application is permitted.

Learn more

Contracts for renewable electricity | IASB proposals

Companies face challenges in applying IFRS 9 *Financial Instruments* to renewable electricity contracts - sometimes referred to as power purchase agreements (PPAs). The IASB is seeking to address these challenges with proposed amendments to the:

Application of the own use exemption to PPAs; and

 Hedge accounting requirements for PPAs. The IASB is also proposing to add new disclosure requirements for certain PPAs to IFRS 7 Financial Instruments: Disclosures and IFRS 19.

The deadline for responses to the IASB is August 7, 2024.

Find out more

Net-zero commitments | How to identify a constructive obligation

Setting and announcing a net-zero target, on its own, does not automatically trigger a liability. A company needs to consider the nature of its commitment and how it will deliver on it.

We've updated our article on <u>net-zero commitments</u> with a video from Irina Ipatova in which she outlines the first of two tests to help companies assess when to recognize a liability. In the video, Irina presents five questions that will help a company determine whether its public statement has resulted in a constructive obligation. Watch the video to learn more.

Read the talkbook

Insurance contracts | Real-time IFRS 17

How are companies reporting under the new insurance contracts standard? In a video, Bob Owel summarizes the key findings of our recent Real-time IFRS 17 survey of insurers' first fullyear reports under the new standard.

Watch the video

Back to top

Sustainability reporting

ISSB Standards and ESRSs | Joint guidance on interoperability

Interoperability between sustainability reporting frameworks is a key issue for companies that might be required to report under both ISSB¹ Standards and ESRSs². This is because when disclosures are not aligned, companies may have to report similar information in different ways, creating duplication and an unnecessary burden.

Companies now have a list of areas of climate-related disclosures to look out for when dual adopting, whether they start from the ISSB Standards and want to understand what the differences are to comply with ESRSs, or vice versa.

Read more

1 International Sustainability Standards Board 2 European Sustainability Reporting Standards

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

Raghuvir Rajagopalan Partner, Accounting Advisory Services rrajagopalan@kpmg.ca (416) 777-3275

Subscribe to receive research and insights from KPMG in Canada



kpmg.ca/IFRS

Disclaimer concerning tax advice





Contact Us | Manage my subscriptions | Unsubscribe | KPMG in Canada Privacy Policy | KPMG On-Line Privacy Policy |

This email was sent to you by KPMG. To sign up to receive other communications from us (we have some informative

publications that may be of interest to you), or to stop receiving electronic messages sent by KPMG, visit the KPMG Online Subscription Centre

At KPMG we are passionate about earning your trust and building a long-term relationship through service excellence. This

extends to our communications with you.

Our lawyers have recommended that we provide certain disclaimer language with our messages. Rather than including

Disclaimer concerning confidential and privileged information/unintended recipient

them here, we're drawing your attention to the following links where the full legal wording appears.

© 2024 KPMG LLP, an Ontario limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.