# IFRS Breaking News

Latest insights on financial reporting in Canada



## 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 over-disclosure 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 net-zero commitments 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 full-year reports under the new standard.

Watch the video

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## 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 ISSB[1] Standards and ESRSs[2]. 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

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## Is your company IFRS ready?

Additional insights from KPMG in Canada

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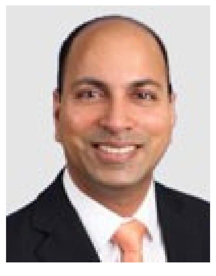

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