



IFRS Breaking News

Latest insights on financial reporting in Canada



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Accounting

Are you clear on climate reporting?

Climate change is driving broader stakeholder scrutiny of financial reporting, with regulators, investors and the public focusing on how organizations report on climate-related matters – such as net-zero commitments. And they are demanding clarity about climate.

That's why KPMG has launched its *Clear on climate reporting* hub to provide insights and guidance to help organizations and their stakeholders understand how to be clear on climate in financial reporting.

The hub includes:

- A [talkbook](#) – high-level guidance on the actions organizations need to take;
- A [digital guide](#) answering key accounting questions about emissions and green schemes;
- FAQs to help identify the potential financial statement impacts;
- Videos and podcasts that explore the issues further – including by sector; and
- Insights on the latest developments, including [new proposed illustrative examples from the IASB](#).

Covering key reporting issues companies are facing, the *Clear on climate reporting* hub is the first place organizations should go when considering how to clearly explain to investors and stakeholders the financial implications of climate-related matters. The resources will constantly grow and be regularly refreshed.

Bookmark the [Clear on climate reporting](#) hub to keep up to date with our latest insights.

Global minimum top-up tax | Impairment assessment

Many countries around the world are introducing changes to their local tax laws to implement the international tax reforms – i.e. a new global minimum top-up tax under Pillar Two. These changes may impact cash flow projections prepared for impairment testing. Questions have arisen on whether these changes impact the discount rate.

As you perform your 2024 impairment assessments, you may have a number of practical questions and our FAQs can help.

[Learn more](#)

Annual improvements process | Targeted amendments

The annual improvements process aims to improve the clarity and internal consistency of IFRS Accounting Standards. In this volume of improvements, the IASB makes minor amendments to IFRS 9 *Financial Instruments* and to a further four accounting standards. The amendments to IFRS 9 address:

- A conflict between IFRS 9 and IFRS 15 *Revenue from Contracts with Customers* over the initial measurement of trade receivables; and
- How a lessee accounts for the derecognition of a lease liability under IFRS 9.

The amendment on trade receivables may require some companies to change their accounting policy.

[Find out more](#)

Hyperinflationary presentation currency | Proposed amendments to IAS 21

There is currently no specific guidance for translating an organization's financial statements from a non-hyperinflationary functional currency into a hyperinflationary presentation currency. This scenario arises when an organization presents its financial statements in a hyperinflationary currency but has:

- A non-hyperinflationary functional currency; or
- A foreign operation with a non-hyperinflationary functional currency.

The IASB proposes to amend IAS 21 *The Effects of Changes in Foreign Exchange Rates* to clarify that an organization uses the closing rate when translating all the financial statement amounts (including comparatives) into its presentation currency in these circumstances.

The deadline for responses to the IASB is November 22, 2024.

[Read more](#)

IFRS 19 | Catch-up proposals

Following the publication of IFRS 19 *Subsidiaries without Public Accountability: Disclosures*, the IASB is proposing further 'catch-up' amendments to the standard.

Because of the timing of IFRS 19's publication, disclosure requirements in several new or amended IFRS Accounting Standards were included without reductions. These catch-up amendments propose to reduce the relevant disclosure requirements for the standards concerned, most notably IFRS 18 *Presentation and Disclosure in Financial Statements*.

The deadline for responses to the IASB is November 27, 2024.

[Get the insights](#)

Responses to consultations | KPMG comments

KPMG has submitted the following responses to recent consultation: International Accounting Standards Board | [Business Combinations – Disclosures, Goodwill and Impairment – Proposed amendment to IFRS 3 and IAS 36](#).

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Is your company IFRS ready?

Additional insights from KPMG in Canada



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