



Financial Services

October 2019

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[Asset Management](#)

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Asset Management



[Blog - Seeking confidence: putting ESG data to the test](#)

Recent activity in the ESG rating agencies markets confirms that ESG data is becoming more valuable to investors – but can you trust the data? In this blog written for FundForum, KPMG in Luxembourg's Laetitia Hamon, looks at investors' views towards data credibility, and how regulations would further strengthen the reliability of ESG data. [Read More](#).

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Banking and Capital Markets



On today's bank board and audit committee agendas

With the influence and pace of technological changes, banks' board and audit committee agendas will need to continue to evolve adroitly. Read what KPMG USA has to advise on this topic.

[Download the PDF](#)

Blog - Seeking confidence: putting ESG data to the test

Partnering with third-parties has become a key strategy for banks in creating **innovative payment solutions** to meet customer demands.

Yet, successful partnerships and payment innovations require not just increased oversight and control over third-party relationships and risks – it also requires the **highest level of security that customers expect and demand**.

In our latest article in the *Future is open series*, we discuss how bank and payment executives can [ensure their drive towards innovation is focused on both improving the customer experience, and maintaining solid security](#)

There is no silver bullet to guarantee security in today's digital world. Rather, banks and payment providers will require a range of strategies, tools and capabilities – all working together – and focused on the risks that matter most to their organization and their customers. It will also require unprecedented collaboration across the payment ecosystem.

About *The future is open* – 10-part article series

Our monthly article series, [The Future is open: Reshaping the banking experience](#), covers 10 key trends including [digital banking](#), [open banking](#), [Super apps](#), [intelligent authentication](#), [predictive analytics](#), [payments security](#), customer experience, platforms, data analytics and regtech. The series aim to provide practical insight into how banking executives can leverage these trends for competitive advantage.

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Insurance



Operational excellence in Insurance

Insurers are under more pressure than ever to effectively manage their current operating expense environment. Persistent low investment returns, ever-increasing competitive pressures and enduring excess capacity have hampered the industry's ability to grow revenue faster than the rate of operating costs.

In order to better understand the current environment, KPMG and ACORD, a non-profit standards development organization, recently completed a survey focused on the challenges and opportunities insurers face with respect to improving operational excellence.

Our report, [**Operational excellence in insurance: Performance, digital and customer experience**](#), highlights the need for senior leaders across the strategy, technology and operations areas of insurance organizations to carefully consider several initiatives and transformations critical to operational excellence. By focusing on some of the key dimensions of the business, leaders can identify the core cost drivers and take steps to effectively manage costs in a sustainable manner.

Maximising Insurtech Alliances

As they search for new ways to solve businesses challenges, inspire innovation and create and seize new opportunities, insurers worldwide are increasingly teaming up with insurtechs and other technology startups. Yet combining the steady caution of traditional insurance with the fast-moving, fast-changing ethos of startup culture is rarely straightforward.

Insurers need to be well-prepared to make sure these relationships work for all involved—and deliver meaningful value in the end.

However, there are a number of [organizational considerations that insurers should think about](#) so that they can get the most out of an insurtech/startup alliance. It's important that insurers establish a solid foundation for success at the outset to be well-positioned to unlock new routes to success.

Read on to hear guidance on how insurers can get the most out of these relationships and prepare their organization properly.

Other Insurtech Insights articles:

- [Partnering with insurtechs to face latest mobility twist](#)
- [Brining bancassurance into the digital era](#)
- [Insuring the gig economy](#)
- [Powering insurance with AI](#)
- [Insurtech 10: Trends for 2019](#)
- [More Insurtech Insights articles](#)

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Real Estate



Venture Pulse Q2 2019

KPMG Enterprise's Global Network for Innovative Startups launched the Q2'19 edition of the Venture Pulse Report. The report analyses the latest global trends in venture capital investment data and provides insights from both a global and regional perspective. This edition of the quarterly series provides in-depth analysis on venture capital investments across North America, EMA and ASPAC and will cover a range of issues such as financing and deal sizes, unicorns, industry highlights and corporate investment.

You can [view the report here](#).

IAS 12 proposals – Recognising deferred tax on leases

Now that IFRS®16 Leases is effective, the International Accounting Standards Board is seeking to reduce the current diversity in practice in the accounting for deferred tax on leases.

Its narrow-scope amendments to IAS 12 Income Taxes propose that the initial recognition exemption would not apply when a company recognises equal amounts of deferred tax assets and liabilities. The proposals could result in an increase in assets and liabilities and a change in the effective tax rate for companies that apply the initial recognition exemption to lease assets and lease liabilities separately.

[Read our web article](#) to find out more about the proposals, which are open for comment until 14 November 2019.

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Other



Future Ready Finance Survey 2019

KPMG International recently announced the launch of **Future Ready Finance Survey 2019 – Learn what high-performing organizations are doing differently**. Wherever you are on your Finance transformation journey, we hope you find this year's results valuable to your organization.

This year over 859 executives across the global participated in the Future Ready Finance Survey 2019, with representation from dozens of industries across the Americas, Asia Pacific, and Europe, Middle East/Africa. More than half of the respondents (57 percent) were from organizations with revenue between \$5 billion and \$50 billion USD. High-performing organizations are ranked in the top 16 percent based on a combined measure of revenue and profitability growth.

[Visit the webpage and download the report](#)

Mind the Gap - Interviews with women in FS

Features interviews with Laura Hay and various inspiring female leaders in financial services discussing their career progression, failures and successes, in the hope that others can gain valuable insight. The series kicked off 29 January with [Laura sharing her story](#). Due to high interest from clients to participate, this blog series has been extended until July.

IFRS 16 Lease components

If your business has leases, you will probably face component questions when implementing IFRS 16 Leases.

Why? Because lease agreements frequently bundle multiple components – from complex outsourcing arrangements, to simple real estate leases in which the landlord provides building maintenance.

The lease component is the unit of account for lease accounting. Lessors and lessees need to identify, and generally separate, lease and non-lease components to apply the new standard. To do this, they need to allocate the consideration in the contract between the components that they account for separately.

Our [Lease components](#) publication contains practical guidance and examples showing how to identify lease and non-lease components in a contract and how to allocate the consideration.

Applying materiality when preparing financial statements

Making information in financial statements more relevant and less cluttered is one of the International Accounting Standards Board's (the Board) key focus areas.

Further to its refined definition of 'material' and practical guidance on applying the concept of materiality, the Board has issued proposals that focus on applying materiality to accounting policy disclosures.

Find out more in our [web article](#).

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