Reporting News

August 2025

Keeping you informed and up to date in the world of corporate reporting

Warm greetings! We are excited to bring you the August edition of Reporting News, covering the latest developments in financial and sustainability reporting.

FINANCIAL REPORTING

SUSTAINABILITY REPORTING

Financial Reporting

New guidance on Investment Boost and deferred tax

The Investment Boost allows businesses to deduct 20% of the cost of a new asset from their taxable income in the year the asset is purchased or constructed. The tax deduction is in addition to any normal depreciation that may apply. The Investment Boost can be claimed in the income tax return for the year of the asset acquisition, however it is important to note doing so is optional. A company can choose not to claim for the Investment Boost.

The Investment Boost went through its third reading in Parliament on 22 May 2025. In our view, any current and deferred tax implications will be reflected in the financial statements of affected entities from this date.

Our publication highlights the accounting and compliance considerations and provides examples illustrating the impact of claiming the Investment Boost on certain assets.

NZ IFRS 18 educational materials

Recent **educational material** from the External Reporting Board (XRB) discusses improvements in NZ IFRS 18 regarding the grouping of information in financial statements. This includes new guidance on describing items, presenting operating expenses by nature or function or a mix of both, and disclosing the nature of operating expenses when presenting one or more line items by function.

New Zealand updates on climate and sustainability reporting

XRB publish feedback on global alignment of climate reporting

The XRB's summary of the consultation responses shows strong support for aligning New Zealand's climate reporting standards with global frameworks IFRS S2 and Australia's AASB S2.

New XRB guidance for preparers of Climate-related Disclosures

Updates to the series on GHG emissions include considerations for preparers when making judgements around excluding GHG emissions sources, available here, and when choosing and applying consolidation approaches, available here.

The Aotearoa Circle, with KPMG, launch Seafood Sector Integrated Scenarios

The world-first framework is designed to support strategic planning in New Zealand's seafood sector, bringing together climate change, nature, and Te Ao Māori into a single, practical, and culturally grounded scenario planning tool.

GHG Emissions Accounting Fundamentals Training

Due to popular demand, KPMG New Zealand will be running our GHG Emissions Accounting Fundamentals Training again in October 2025. The course is instructor-led, delivered virtually and accessible globally. Register here to take advantage of the early bird rates.

Global updates on climate and sustainability reporting

IFRS guidance on anticipated financial effects of climate-related risks and opportunities

The educational material is for companies preparing disclosures under the ISSB Standards (IFRS S1 and IFRS S2). We note that whilst this is not developed for entities reporting under the Aotearoa New Zealand Climate Standards, it may be of interest.

GHG Protocol adds more Scope 3 Frequently Asked Questions (FAQs)

The FAQs here have been updated with 9 more answers to common questions from entities applying the Corporate Value Chain (Scope 3) Standard.

Should you have queries on how this information is relevant for your organisation, or if you would like reporting support, contact us here.

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Feedback

If there is anything you would like to see more or less of in these updates, let us know.

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