

Alumni News

JUNE 2019

Welcome to the June edition of the KPMG New Zealand Alumni News.

Here we have our latest news, publications and events, which we hope will be of interest to you.

NZ Budget 2019 - what does it means for the wellbeing of New Zealand?



New Zealand's first dedicated 'Wellbeing' Budget has been announced in May. This a budget that reflects the collective need, and desire, to address the inequalities that exist within our society. It moves beyond the traditional, narrow measures of success such as GDP and fiscal growth, to include success measures based around the four capitals of the Living Standards Framework – natural, social, human and financial, and physical. This is in addition to other success measures, such as child wellbeing and poverty indicators, and Statistics New Zealand's "*Indicators Aotearoa New Zealand*".

But what does the Wellbeing Budget mean for New Zealand business leaders?

We look into the four main areas that impact businesses – Infrastructure, Investment in innovation and skills, Money continuing to flow to the regions and an increase in economic activity.

Read our full insight into what a 'Wellbeing Budget' means, what this looks like in practice and explanations of the four main areas [here](#).

2019 Agribusiness Agenda

Acknowledge, Evaluate, Accelerate



The 10th edition of the KPMG Agribusiness Agenda acknowledges the progress the industry has made over the last decade. It evaluates the perspectives of industry leaders on where the industry is today and explores the changes coming to the sector while also looking at what needs to be done to accelerate a more prosperous future for New Zealand.

The agenda focuses on impact as organisations work to remain relevant to consumers who increasingly look to buy from businesses that are clear on purpose and articulate the contribution they are making to the wider community.

The 2019 Agenda was released at the KPMG Agribusiness Leaders Breakfast at the National Fieldays, where KPMG hosted over 200 industry leaders. Breakfast attendees heard from Prime Minister, Jacinda Ardern, alongside Minister Damien O'Connor, Simon Limmer – CEO of Silver Fern Farms, Angela Clifford – CEO of EAT New Zealand and our very own Ian Proudfoot - KPMG's Global Lead for Food & Agri.

Read the 2019 Agribusiness Agenda [here](#).

Community @ KPMG

Pink Shirt Day 2019



KPMG joined the movement along with many other workplaces across Aotearoa to turn māwhero/pink on Friday 17 May to Kōrero Mai, Kōrero Atu, Mauri Tū, Mauri Ora – Speak Up, Stand Together, Stop Bullying!

[Pink Shirt Day](#) is a national bullying prevention campaign run by the Mental Health Foundation of NZ since 2012. Workplace bullying is a serious issue in NZ, with between 15 to 20 percent of the workforce impacted.

KPMG staff across NZ wore pink in support and to show our commitment to creating a positive, inclusive workplace environment, KPMG donated \$1 per pink shirt snapped on the day to the [Mental Health Foundation](#). Our Wellington office also held a morning tea with home-baked goods to raise more funds.

KPMG E-bikes



The KPMG Auckland office recently introduced a fleet of E-bikes as a new initiative to promote wellbeing while also reduce our environmental impact. Look out for KPMG teams biking to client meetings around the CBD!

EHS School Camp



In May, a group of KPMG volunteers relived their school days by joining and helping out our partner school – Edmund Hillary School (EHS) – at Camp Adair for their school camp.

KPMG was able to help make these memories possible for the senior kids at EHS, for many of whom this would have been a first. It had been many years since the school was able to provide the kids with an opportunity to attend a school camp.

EHS hopes to have a school camp every two years with support from KPMG and other generous businesses in the community.

Pink Ribbon Morning Tea



On 8 May, KPMG's baking-savvy staff showcased their talents while supporting a great cause at our Pink Ribbon morning teas held at KPMG offices around NZ

The baking tables were flooded with KPMG's keen foodies and all funds raised went to the [Breast Cancer Foundation](#). The money raised helps fund innovative projects by some of our country's top researchers, and supports patients and their families as they navigate through their breast cancer journeys.

People @ KPMG

2019 World Rugby Under 20 Championship



Cole Forbes, an Accountant in KPMG's Tauranga Enterprise practice, is a member of the New Zealand Under 20 rugby team currently in Argentina in June to compete in the 2019 World Rugby Under 20 Championship.

Cole was selected in the wider squad, which recently competed in the 2019 Oceania Rugby U20 Championship held in Brisbane, and then found out the great news of making the World's final squad.

He plays both fullback and 1stV and was also part of the successful Bay of Plenty under 19 team that won the National Championship in 2018.

Cole has been with KPMG for 14 months and joined us after finishing his schooling at Tauranga Boys College.

Please join us in wishing Cole the very best for the World Rugby Under 20 Championship.

RITANZ Life Membership



Vivian Fatupaito, a Director in KPMG's Auckland Deal Advisory practice, was awarded a life membership to RITANZ (Restructuring, Insolvency, Turnaround Association New Zealand), at their Gala dinner held in May.

Vivian is the first woman to receive this accolade. The life membership was awarded to Vivian in recognition of her many achievements in the insolvency industry.

During her career, Vivian has been appointed to approximately 3,000 liquidations, led two statutory managements on high profile Ponzi schemes and was invited by the Government to join the Insolvency Working Group to recommend changes to the Companies Act 1993. Vivian is famous in the legal circles due to a leading breach of director duties judgment (*Fatupaito v Bates*), which some of you may recognise from your university days, and has been the instigator of a number of precedential legal cases.

Please join us in congratulating Vivian on this achievement.

CPA Young Leader Award



Lucy Hamnett, in our KPMG Auckland Consulting practice, has received a CPA Australia NZ President's Award for Excellence – Young Leader.

Lucy is the first New Zealand Certified Practising Accountant (CPA) member to ever receive the Young Leader award. The award recognises Lucy's leadership within the CPA community, her role on the CPA New Zealand Council, and across the sustainability industry through her involvement with initiatives such as the Now Crowd.

Lucy joined KPMG in March 2016 and chairs the KPMG Green Team.

Please join us in congratulating Lucy on this achievement.

Tax

Australia & NZ Subsidiaries – where are you resident?

In KPMG's latest TaxMail, we look at the Inland Revenue and Australian Taxation Office agreement for determining the tax residency of dual resident companies. Due to a change in our Dual Tax Agreement with Australia, introduced from 1 January 2019, New Zealand companies should be confirming their tax residency (and those of their Australian Subsidiaries) under both countries' rules and taking steps to manage the position. Find out what you need to do [here](#).

GST on imports & loss ring fencing Bill update

The Finance and Expenditure Select Committee have reported the Taxation Bill back to Parliament along with the release of the Officials Report. The Bill has three key items – GST on low-value imported items, loss ring fencing rules for rental properties, and changes to the Commissioner's Care and Management rules. With the report back earlier than expected, the Bill can be expected to become law by the end of June. Find out what this could mean for you in our TaxMail [here](#).

Digital services: one-two punch?

The Government has released its previously announced Digital Services Tax ("DST") discussion document following the OECD's release of its updated work programme on tax issues arising from the digitalisation of the economy.

A DST would apply to electronic platforms facilitating the sale of goods and services (i.e. intermediation platforms), social media platforms, content sharing sites, and companies providing search engines or selling user data. This includes NZ businesses operating in this space (if they meet thresholds). Read our full update [here](#).

Global Agri Food News Bites

Global Agri Food Bites is our weekly news segment of highlights for Country TV. This segment is a summary of Agribusiness news and media reports from across the sector, prepared by the KPMG Agribusiness network. This week we discuss the release of the 2019 KPMG Agribusiness Agenda at the National Fieldays, and Ian Proudfoot, KPMG's Global Head of Agribusiness, talks through some of key points discussed in the Agenda. Watch the latest episode [here](#).

For more information and insights, visit our [Agribusiness website](#) or [download our app](#).

Reporting Updates

Amongst the topics covered in this issue – we look into the FMA's focus areas for financial reporting reviews in 2019 – 2020 and share our essential guides to interim reporting. We also discuss the accounting and tax associated with holding cryptocurrencies, and look at IFRS 17 *Insurance Contracts – Finalising the Proposal*, in our Financial Reporting updates. In Business Reporting, we look at the Top five issues for Directors in 2019 and Misconduct in the Australian financial industry – what can New Zealand boards learn? For details, click [here](#).

We value your connection with us and invite you to visit our Alumni website periodically to stay abreast of all the latest news and happenings at KPMG New Zealand. Please reach out to us if you would like additional information regarding any of the above topics.



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